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Securities Code: 5803
June 3, 2021

To our shareholders:

Masahiko Ito
Director, President & CEO
Fujikura Ltd.
5-1, Kiba 1-chome Koto-ku, Tokyo, Japan

Notice of Convocation of Fujikura's 173rd Annual General Meeting of Shareholders

We hereby inform you of the 173rd Annual General Meeting of Shareholders of Fujikura Ltd. (the "Company"), which will be held as indicated below.

In order to prevent the spread of COVID-19, the Company requests that shareholders exercise their voting rights in advance for this General Meeting of Shareholders in writing or via the Internet as much as possible. Please review the Reference Document for the General Meeting of Shareholders hereinafter as well as the Information about Exercising Your Voting Rights on page 3, and exercise your voting rights no later than June 29, 2021 (Tuesday) at 5:30 p.m. (JST).

- 1. Date and time:** June 30, 2021 (Wednesday) at 10:00 a.m. (JST)
* The reason for this divergence from the date corresponding to that of the previous Annual General Meeting of Shareholders (September 16, 2020) is that the previous Annual General Meeting of Shareholders was delayed from the scheduled date due to the impact of factors including the spread of COVID-19.
- 2. Place:** Assembly Hall, Fujikura head office
5-1, Kiba 1-chome Koto-ku, Tokyo, Japan
- 3. Purpose of the meeting**
Matters to be reported:
 1. Details of the business report, the consolidated financial statements, and the reports by the independent accounting auditor and the Audit and Supervisory Committee on the audit results of consolidated financial statements for the Company's 173rd business year (from April 1, 2020 to March 31, 2021).
 2. Details of non-consolidated financial statements for the Company's 173rd business year (from April 1, 2020 to March 31, 2021).

Matters to be acted upon:

Proposal No. 1 Partial Amendment to the Articles of Incorporation

Proposal No. 2 Election of Four Directors Not Serving as Audit and Supervisory Committee Members

Proposal No. 3 Election of Six Directors, Members of the Audit and Supervisory Committee

- Pursuant to the laws and regulations and our Articles of Incorporation, the following items to be attached to the Notice of Convocation of the Annual General Meeting of Shareholders are posted on the Company's website. Therefore, those items are not included in the attachment hereto. Note that the consolidated financial statements and non-consolidated financial statements audited by the Accounting Auditor and the Audit and Supervisory Committee include those items.
 - (i) Notes to consolidated financial statements
 - (ii) Notes to non-consolidated financial statements

- If there arises any circumstance which gives rise to the need for alteration in the Reference Document for the General Meeting of Shareholders, the business report, consolidated financial statements and non-consolidated financial statements, we will post the altered contents on the Company's website.
- If there are any changes to the location or any other aspects of the holding of this Annual General Meeting of Shareholders, as the countermeasure against the spread of COVID-19, such information will be posted on the Company's website. If you plan to attend in person, please check the website in advance.

Website of the Company: **<https://www.fujikura.co.jp/ir/statement/meeting/index.html>**

Information about Exercising Your Voting Rights

1. In case of exercising the voting rights by post:

Please indicate your approval or disapproval on each of the proposals on the enclosed voting form and return the completed form to us without affixing a postage stamp.

Voting deadline:

It must be received by no later than June 29, 2021 (Tuesday) at 5:30 p.m. (JST)

2. In case of exercising the voting rights via the Internet:

Method 1 Exercising voting rights using “Smart Exercise”

Please scan the QR Code displayed on the bottom right of the voting form with a smartphone or tablet device and enter your approval or disapproval by following the onscreen instructions.

* If you wish to modify your vote after exercising your voting rights, please follow Method 2 “Exercising voting rights on the website for exercising voting rights” and enter your changed vote.

Method 2 Exercising voting rights on the website for exercising voting rights

Access the website for exercising your voting rights (<https://www.web54.net>), click the login button upon entering the “voting right exercise code” and “password” indicated on the enclosed voting form, and enter your approval or disapproval by following the onscreen instructions.

Voting deadline:

No later than June 29, 2021 (Tuesday) at 5:30 p.m. (JST)

3. In case of attending the General Meeting of Shareholders:

Please submit the voting form to the receptionist. (No seal is necessary.)

Date and time: June 30, 2021 (Wednesday) at 10:00 a.m. (JST)

Place: Assembly Hall, Fujikura head office, 5-1, Kiba 1-chome, Koto-ku, Tokyo

Important Information Regarding Exercising Your Voting Rights via the Internet

- (i) Please note that your online vote will prevail should you exercise your voting rights both via the Internet and in writing.
- (ii) If you exercise your voting rights more than once via the Internet, only the last vote shall be deemed effective.
- (iii) Each shareholder shall bear any fees for accessing the voting website (Internet connection fees, telephone charges, etc.).
- (iv) Voting rights exercised via the Internet are accepted until Tuesday, June 29, 2021 at 5:30 p.m. However, we request that you vote as early as possible.
If you have any inquiries, please contact the dedicated phone line for web support shown below.

Inquiries on systems, etc.	Sumitomo Mitsui Trust Bank, Limited, Stock Transfer Agency Web Support Hotline Telephone: 0120-652-031 (toll-free in Japan only; hours: 9:00 a.m. to 9:00 p.m.)
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Electronic Voting Rights Execution Platform

Institutional investors may use the electronic voting rights execution platform operated by Investor Communications Japan (ICJ), Inc.

Reference Document for the General Meeting of Shareholders

Proposal No. 1 Partial Amendment to the Articles of Incorporation

1. Reasons for and background to proposal

Based on the two key measures of “the unreserved selection and concentration of existing business” and “strengthen of corporate governance” under the 100-Day Plan for the operational turnaround that was formulated in September 2020, the Company has carried out major changes to the management system (hereinafter the “System Changes”) including the resignation of approximately half of the Directors not serving as Audit and Supervisory Committee Members on April 1, 2021. In accordance with the System Changes, the Company proposes the following changes to the Articles of Incorporation.

(1) Review of the number of Directors not serving as Audit and Supervisory Committee Members

Given the reduction by half of the number of Directors not serving as Audit and Supervisory Committee Members under the System Changes, the Company proposes a change to the number of Directors. Moreover, as part of its strengthening of corporate governance, the Company seeks to strengthen management transparency and supervision functions by composing the Board of Directors with half of the Directors being Outside Directors independent of the Company’s management.

(2) Review of Directors with Special Titles

The System Changes will make the titles of Executive Vice President & Director, Executive Vice President & Member of the Board, and Senior Vice President & Member of the Board obsolete, and the Company proposes to delete them.

(3) Deletion of advisors

The Company abolished the Advisor system in fiscal year 2020 and therefore proposes to delete the provision from the Articles of Incorporation.

(4) Other amendments

In conjunction with the deletion of Article 29 of the current Articles of Incorporation, the Company proposes to renumber all of subsequent articles accordingly.

2. Details of the amendments

Details of the amendments are as follows.

(Underlined parts are amended.)

Current Articles of Incorporation	Proposed amendments
Article 20. (Number of Directors) 1. The number of directors of the Company other than Directors, Members of the Audit and Supervisory Committee (hereinafter referred to as Directors not serving as Audit and Supervisory Committee Members) shall not be in excess of <u>twelve</u> . 2. (Omitted)	Article 20. (Number of Directors) 1. The number of directors of the Company other than Directors, Members of the Audit and Supervisory Committee (hereinafter referred to as Directors not serving as Audit and Supervisory Committee Members) shall not be in excess of <u>six</u> . 2. (Unchanged)
Article 28. (Representative Directors and Directors with Special Titles) 1. (Omitted) 2. The board of directors may elect one Chairman of the Board of Directors, one Director, President & CEO, <u>several Senior Executive Vice Presidents & Directors, several Executive Vice Presidents & Directors and several Senior Vice Presidents & Directors</u> from among directors not serving as Audit and Supervisory Committee Members by its resolution.	Article 28. (Representative Directors and Directors with Special Titles) 1. (Unchanged) 2. The board of directors may elect one Chairman of the Board of Directors, and one Director, President & CEO from among directors not serving as Audit and Supervisory Committee Members by its resolution.
Article 29. (Advisor) <u>The board of directors may appoint Advisors by its resolution.</u>	(Deleted)
Article <u>30</u> . to Article <u>39</u> . (Omitted)	Article <u>29</u> . to Article <u>38</u> . (Unchanged)

Proposal No. 2 Election of Four Directors Not Serving as Audit and Supervisory Committee Members


The term of office of all the current four ^{(*)1} Directors not serving as Audit and Supervisory Committee Members will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company requests the election of four Directors not serving as Audit and Supervisory Committee Members.


No.	Name of candidate	Age (*)2	Current position and responsibilities at the Company	Attendance rate for the Board of Directors Meetings during Fiscal Year 2020	Tenure
1	Masahiko Ito (Re-election)	63	Representative Director, President & CEO Corporate Governance Unit, Corporate Staff Unit, Corporate Finance & Accounting Unit, Corporate Quality Management Unit, Research and Development Unit, and Structural Reforms Task Force	(100.0%)	6 years
2	Naoki Okada (New candidate)	57	Corporate Officer & COO Telecommunication Systems Business Unit, Printed Circuit Business Unit, Connector Business Unit, Automotive Products Business Unit, Electronic Components Business Unit, and Production Engineering Unit	(-)	-
3	Joseph E. Gallagher (Re-election)	63	Director Responsible for North American Business	(87.0%)	3 years
4	Masato Inaba (Re-election)	62	Director Responsible for Industrial Electric Wire Business, Marketing & Procurement Unit, and Real Estate Business Unit	(100.0%)	2 years


(*)1 Nine Directors not serving as Audit & Supervisory Committee Members were elected at the 172nd Ordinary General Meeting of Shareholders held on September 16, 2020. However, with the retirement by resignation of Executive Vice President & Member of the Board Akira Wada, Executive Vice President & Member of the Board Takeaki Kitajima, Senior Vice President & Member of the Board Hideyuki Hosoya, Senior Vice President & Member of the Board Takashi Takizawa, and Senior Vice President & Member of the Board Tetsu Ito on March 31, 2021, the Company currently has four Directors not serving as Audit & Supervisory Committee Members.

(*)2 Age indicates candidates' ages as of June 30, 2021.

(*)3 The Company has entered into a directors and officers liability insurance policy with an insurance company, as provided for in Article 430-3, paragraph (1) of the Companies Act. The contents of this insurance policy are as summarized on page 33 of this Notice of Convocation. If each candidate is elected and assumes the office as Director not serving as Audit and Supervisory Committee Member, each candidate will be included as an insured in the policy.


Candidate No.	Name (Date of birth)	Career summary, position and responsibilities at the Company and significant concurrent positions
1	 <p>Masahiko Ito (September 1, 1957, 63 years old)</p> <p>[Re-election]</p> <p>Number of the Company's shares owned 57,599</p> <p>Tenure as Director 6 years</p> <p>Attendance at the Board of Directors Meetings 100% (23/23)</p>	<p>Apr. 1982 Joined the Company</p> <p>Jan. 2005 General Manager of the Cable Manufacturing Dept., Power Cable Division of VISCAS Corporation</p> <p>May 2011 General Manager of the Superconductor Business Development Division of the New Business Development Center</p> <p>Apr. 2013 Corporate Officer and General Manager of the Superconductor Business Development Division of the New Business Development Center</p> <p>Apr. 2014 Managing Corporate Officer, Deputy Chief of the Power & Telecommunication Systems Company, Responsible for the Infrastructure Business Segment, and General Manager of the Superconductor Business Development Division of the New Business Development Center</p> <p>Apr. 2015 Managing Corporate Officer, Deputy Chief of the Power & Telecommunication Systems Company,</p> <p>June 2015 Managing Corporate Officer, Director Deputy Chief of the Power & Telecommunication Systems Company</p> <p>Apr. 2016 Representative Director, President & CEO</p> <p>Apr. 2019 Representative Director, President & CEO, Chief of Governance, Chief of the Corporate Quality Management Unit, Responsible for the Internal Audit Department</p> <p>Apr. 2020 Representative Director, President & CEO, Chief of Governance, Chief of the Corporate Quality Management Unit, Responsible for the Internal Audit Department and Internal Control Department</p> <p>Apr. 2021 Representative Director, President & CEO, Chief of the Corporate Governance Unit, Chief of the Corporate Staff Unit, Chief of the Corporate Finance & Accounting Unit, Chief of the Corporate Quality Control Unit, Chief of the Research and Development Unit, and Chief of the Structural Reforms Task Force (to present)</p> <p>Reason for nomination as a Director Mr. Masahiko Ito possesses mainly experience accumulated over many years in the Power Systems business segment. In April 2016, he was appointed Director, President & CEO. He took part in senior management in the position of being in charge of a joint-venture company in the power cable business, VISCAS Corporation, and later he led initiatives to start up new businesses of the Company. He also played a leading role in business mergers with other companies and business reorganization in the fields of industrial electric wires and power cables that were forced to undergo stringent business restructuring and reform. Furthermore, he has implemented reorganization within the Fujikura Group. Since his appointment as Director, President & CEO, he has provided strong leadership, overseeing the Company's changeover to a company with an Audit and Supervisory Committee, the response to cases of improper quality control, and decisions to implement multiple business structure reforms. Faced with the extreme deterioration in business performance in the previous fiscal year, he formulated the operational turnaround plan named 100-Day Plan and executed a bold management restructure based on the plan. Since it is currently in an operational turnaround phase, the Company has determined that it needs Mr. Ito's accumulated experience, strong leadership, and transformational drive to ensure early completion of the 100-Day Plan for the operational turnaround and transition to the subsequent sustainable growth phase. For these reasons, the Company nominates him as a candidate for Director.</p> <p>Special interest between the Company and the candidate There are no special interest between the candidate and the Company.</p>

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities at the Company and significant concurrent positions
2	 <p>Naoki Okada (January 28, 1964, 57 years old)</p> <p>[New candidate]</p> <p>Number of the Company's shares owned 11,845</p>	<p>Apr. 1986 Joined the Company</p> <p>Apr. 2008 General Manager of the Optical Cable Research and Development Department</p> <p>June 2012 General Manager of the Optical Cable Research and Development Department and General Manager of the Optical Cable Manufacturing Department</p> <p>Apr. 2013 General Manager of the Cable and Equipment R&D Center</p> <p>Mar. 2014 General Manager of the New Optical Fiber Cable Business Development Department</p> <p>Apr. 2018 General Manager, Head of the Optical Cable Systems Division</p> <p>Apr. 2020 Managing Corporate Officer, General Manager of the Corporate Strategy Planning Division</p> <p>Apr. 2021 Executive Officer & COO, and Chief of the Telecommunication Systems Business Unit, Chief of the Printed Circuit Business Unit, Chief of the Connector Business Unit, Chief of the Automotive Products Business Unit, Chief of the Electronic Components Business Unit, and Chief of the Production Engineering Unit (to present)</p> <p>Reason for nomination as a Director Mr. Naoki Okada has worked in the optical fiber cable-related business right through since he joined the Company. In particular, he played a central role in product development and promotion strategy proposals for the Company's innovative strategic optical fiber products Spider Web Ribbon® / Wrapping Tube Cable™, and paved the way for a strategic pivot of the Company's telecommunications business form optical fiber to a total solutions business centered on high-value-added optical cable. In 2020, he was appointed Managing Corporate Officer, General Manager of the Corporate Strategy Planning Division, where he experienced planning, proposal, and execution of companywide management strategies. Through this experience, he has developed the "ability to accurately understand the issues from a company-wide perspective," which is necessary for managing the Company given its diverse business fields, as well as the "ability to make decisions with a sense of urgency" and "strong leadership," which are required during phases when reforms are needed. In the proposal of the operational turnaround plan named 100-Day Plan, he demonstrated aptitude as a leader for promoting new business, suggesting radical reforms of the management and business structures and leading efforts to cultivate awareness of business structure reforms inside the Company. The Company has determined that Mr. Naoki Okada's transformation execution ability and strong leadership will be essential in the operational turnaround phase and the transition to the subsequent sustainable growth phase. For these reasons, the Company nominates him as a candidate for Director.</p> <p>Special interest between the Company and the candidate There are no special interest between the candidate and the Company.</p>

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities at the Company and significant concurrent positions
3	 <p>Joseph E. Gallagher (September 25, 1957, 63 years old)</p> <p>[Re-election]</p> <p>Number of the Company's shares owned 3,011</p> <p>Tenure as Director 3 years</p> <p>Attendance at the Board of Directors Meetings 87.0% (20/23)</p>	<p>July 1979 Joined Alcoa, Inc.</p> <p>Jan. 1988 Joined Alcoa Fujikura, Ltd. (current America Fujikura Ltd.) ^{(*)1}</p> <p>Sept. 1998 General Manager of Fiber Optical Cable Division of Alcoa Fujikura, Ltd.</p> <p>Jan. 2003 President & CEO of Alcoa Fujikura, Ltd.</p> <p>Apr. 2005 President of AFL Telecommunications LLC ^{(*)2} (to present)</p> <p>Apr. 2011 Corporate Officer of the Company</p> <p>Oct. 2012 President of ATI International Investments Inc. (to present)</p> <p>Apr. 2013 Managing Corporate Officer of the Company</p> <p>June 2018 Senior Vice President & Director</p> <p>Apr. 2019 President of ITC Service Group Intermediary LLC (to present)</p> <p>July 2019 President of FiberRise Communications, LLC (to present)</p> <p>Apr. 2021 Director and Chief of the North American business of the Company (to present)</p>
		<p>Reason for nomination as a Director</p> <p>Mr. Joseph E. Gallagher, after working as a manager of the optical fiber system business of Alcoa Fujikura, Ltd., was appointed as President & CEO of Alcoa Fujikura, Ltd. in 2003. He has been serving as President of AFL Telecommunications LLC (hereinafter "AFL-Tele") since 2005, and was appointed as a Managing Corporate Officer of the Company in 2013. He demonstrated strong leadership at AFL-Tele, enabling it to grow into a company with sales surpassing ¥120.0 billion by promoting the selection and concentration of business.</p> <p>The Company has established the North American and European markets as the main areas of competition in the total solutions business centered on one of the Company's core businesses of high-value-added optical cable. Mr. Gallagher, as the person practically in charge of the telecommunication business in North America, has continuously made significant achievements in increasing profits through business expansion while utilizing methods such as M&A. He is indispensable to the strengthening and expansion of the Company's market position. Furthermore, the Company has determined that his global experience and knowledge are vital for the creation of new corporate value in the operational turnaround phase and the following sustainable growth phase, and that his advice and so forth from a global perspective will be essential for the Company's oversight function. For these reasons, the Company nominates him as a candidate for Director.</p>
		<p>Special interest between the Company and the candidate</p> <p>The candidate serves as President of ATI International Investments Inc., which is an affiliate of America Fujikura Ltd. (hereinafter "AFL") and likewise to the Company, deals with sales of optical connection parts. Moreover, the candidate serves as President of ITC Service Group Intermediary LLC and FiberRise Communications, LLC, which are affiliates of AFL and likewise to the Company, deal with telecommunications work and its design.</p>

(*)1 Alcoa Fujikura, Ltd. is a joint venture company (49% share owned by the Company) established between the Company and Alcoa, Inc. (USA) in 1984. In 2005, we canceled the joint venture and inherited the telecommunications business segment, making it a wholly owned subsidiary (AFL). Currently, it is a holding company that oversees the Fujikura Group's North American business.

(*)2 AFL-Tele is a company that serves as the core of the energy system business and telecommunications business, with a focus on North America, affiliated with AFL.

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities at the Company and significant concurrent positions
4	 <p>Masato Inaba (April 16, 1959, 62 years old)</p> <p>[Re-election]</p> <p>Number of the Company's shares owned 29,257</p> <p>Tenure as Director 2 years</p> <p>Attendance at the Board of Directors Meetings 100.0% (23/23)</p>	<p>Apr. 1984 Joined Nippon Telegraph and Telephone Public Corporation</p> <p>Nov. 2000 Director of International Business Division, NTT Communications Corporation</p> <p>July 2010 Director of International Division, Strategic Business Development Division, NIPPON TELEGRAPH AND TELEPHONE CORPORATION</p> <p>June 2014 Senior Vice President of NTT DATA CORPORATION</p> <p>June 2017 Adviser, Power & Telecommunication Systems Company of the Company</p> <p>Apr. 2018 Managing Corporate Officer, Responsible for Power & Telecommunication Systems Company</p> <p>Apr. 2019 Managing Corporate Officer, Responsible for New Business Development Center</p> <p>June 2019 Senior Vice President & Director, Responsible for New Business Development Center</p> <p>Apr. 2021 Director, Responsible for Industrial Electric Wire Business, Chief of the Marketing & Procurement Unit, and Chief of the Real Estate Business Unit (to present)</p> <p>Reason for nomination as a Director Mr. Inaba has been engaged for many years in the promotion of new and international businesses within the NTT Group, and he has cultivated experience and insight into global scale new business at one of Japan's leading telecommunications and IT companies. In the Company, he has used this experience in a committed effort to create new businesses for the creation of new value through open innovation as the person responsible for new business development. The Company has determined that Mr. Inaba's diverse insight backed by abundant experience outside the Group and his deep insight into the Company's core telecommunication business will be essential for management decisions and supervision in the operational turnaround phase and the subsequent sustainable growth phase. For these reasons, the Company nominates him as a candidate for Director.</p> <p>Special interest between the Company and the candidate There are no special interest between the candidate and the Company.</p>

Proposal No. 3 Election of Six Directors, Members of the Audit and Supervisory Committee

The term of office of all the current (six) Directors, Members of the Audit and Supervisory Committee will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company requests the election of six Directors, Members of the Audit and Supervisory Committee.

No.	Name of candidate	Age (*1)	Current position and responsibilities at the Company	Attendance rate for the Fiscal Year 2020 (Board of Directors Meetings and Audit and Supervisory Committee Meetings)	Tenure
1	Shigeo Sekikawa (New candidate)	59	Director	(100.0%, -) (*2)	9 months (*2)
2	Yoshio Shirai (Re-election)	73	Director, Member of the Audit and Supervisory Committee (Outside, Independent Officer)	(100.0%, 100.0%)	4 years
3	Hamako Hanazaki (Re-election)	53	Director, Member of the Audit and Supervisory Committee (Outside, Independent Officer)	(100.0%, 100.0%)	2 years
4	Keiji Yoshikawa (New candidate)	70	(Outside, Independent Officer Candidate)	(-, -)	-
5	Yoji Yamaguchi (New candidate)	66	(Outside, Independent Officer Candidate)	(-, -)	-
6	Kozo Meguro (New candidate)	68	(Outside, Independent Officer Candidate)	(-, -)	-


(*1) Age indicates candidates' ages as of June 30, 2021.

(*2) As Mr. Shigeo Sekikawa was newly appointed as a Director not serving as Audit and Supervisory Committee Member at the 172nd Annual General Meeting of Shareholders held on September 16, 2020, his attendance rate at Board of Directors meetings during the fiscal year 2020 and his tenure are given for him in his role as a Director not serving as Audit and Supervisory Committee Member of the Company from the date of his election.


(*3) In accordance with Article 427, paragraph (1) of the Companies Act, the Company has entered into a limited liability contract (an agreement that limits liability to the minimum amount prescribed by laws and regulations) with Mr. Yoshio Shirai and Ms. Hamako Hanazaki, and if their reelection is approved they will continue to be covered by the contract.


(*4) In the event that the elections of Mr. Keiji Yoshikawa, Mr. Yoji Yamaguchi and Mr. Kozo Meguro as Directors, Members of the Audit and Supervisory Committee are approved, the Company intends to enter into limited liability contracts (an agreement that limits liability to the minimum amount prescribed by laws and regulations) with each of them in accordance with Article 427, paragraph (1) of the Companies Act.


(*5) The Company has entered into a directors and officers liability insurance policy with an insurance company, as provided for in Article 430-3, paragraph (1) of the Companies Act. The contents of this insurance policy are as summarized on page 33 of this Notice of Convocation. If each candidate is elected and assumes the office as Director, Member of the Audit and Supervisory Committee, each candidate will be included as an insured in the policy.


Candidate No.	Name (Date of birth)	Career summary, position and responsibilities at the Company and significant concurrent positions
1	 <p>Shigeo Sekikawa (February 6, 1962, 59 years old)</p> <p>[New candidate]</p> <p>Number of the Company's shares owned 18,804</p> <p>Tenure as Director 9 months*</p> <p>Attendance at the Board of Directors Meetings 100% (11/11)</p>	<p>Apr. 1984 Joined the Company</p> <p>Apr. 2010 General Manager of the NTT Sales Division</p> <p>Apr. 2015 General Manager of the Procurement Division</p> <p>Apr. 2018 Corporate Officer and General Manager of the Corporate Procurement Division</p> <p>Apr. 2019 Managing Executive Officer and Deputy Chief of the Power Systems business segment, the Power & Telecommunication Systems Company</p> <p>Apr. 2020 Managing Executive Officer and Chief of Corporate Staff Unit (Corporate Strategy Planning Division, Legal Department, Human Resource Division and others)</p> <p>Sept. 2020 Senior Vice President & Director and Chief of Corporate Staff Unit (Corporate Strategy Planning Division, Legal Department, Human Resource Division and others)</p> <p>Apr. 2021 Director (to present)</p> <p>Reason for nomination as a Director Mr. Shigeo Sekikawa has an extremely wide range of experience, including experience at the Company's sales & marketing, business, and corporate divisions, in addition to experience working overseas and managing domestic subsidiaries. Based on these experiences, when the cases of improper quality control occurred, he provided appropriate support and cooperation to the external legal office that was entrusted to perform the confirmation of facts and identification of causes of the cases, taking responsibility as a point of contact for the office and making a committed effort to investigate and remedy the cases. In 2020, he was appointed as Director responsible for the Corporate Staff Unit, and in this role he has worked to improve the corporate governance system. Meanwhile, as the person responsible for risk management, he promptly began to build internal systems as countermeasures to prevent the spread of COVID-19, and took the lead in preventing the spread of infections inside the Company. In these ways, he has shown strong leadership in emergencies. The Company has determined that Mr. Sekikawa's experience in corporate governance and risk management will make him a necessary human resources for further strengthening the supervision function of the Board of Directors in the operational turnaround phase and the subsequent sustainable growth phase. For these reasons, the Company nominates him as a candidate for Director, Member of the Audit and Supervisory Committee.</p> <p>Special interest between the Company and the candidate There are no special interest between the candidate and the Company.</p>


* As Mr. Shigeo Sekikawa was newly appointed as a Director not serving as Audit and Supervisory Committee Member at the 172nd Annual General Meeting of Shareholders held on September 16, 2020, his attendance at Board of Directors meetings during the fiscal year 2020 and his tenure are given for him in his role as a Director not serving as Audit and Supervisory Committee Member of the Company from the date of his election.

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities at the Company and significant concurrent positions
2	 <p>Yoshio Shirai (May 1, 1948, 73 years old)</p> <p>[Re-election] [Outside Director] [Independent Officer]</p> <p>Number of the Company's shares owned 0</p> <p>Tenure as Director 4 years</p> <p>Attendance at the Board of Directors Meetings 100% (23/23)</p> <p>Attendance at the Audit and Supervisory Committee Meetings 100% (17/17)</p>	<p>June 2001 Member of the Board of Directors of Toyota Motor Corporation</p> <p>June 2003 Managing Officer of Toyota Motor Corporation</p> <p>June 2005 Senior Managing Member of the Board of Directors of Toyota Motor Corporation</p> <p>June 2007 Executive Vice President, Member of the Board of Hino Motors, Ltd.</p> <p>June 2008 President, Member of the Board of Hino Motors, Ltd.</p> <p>June 2013 Adviser to Hino Motors, Ltd. Vice Chairman of the Board of Toyota Tsusho Corporation</p> <p>June 2015 Adviser to Toyota Tsusho Corporation</p> <p>June 2016 Director (outside director), Audit & Supervisory Committee Member of Seiko Epson Corporation (to present)</p> <p>June 2017 Director, Member of the Audit and Supervisory Committee of the Company (to present) Adviser to Hino Motors, Ltd.</p> <p>June 2018 Senior Adviser to Hino Motors, Ltd.</p>
		<p>Reason for nomination as an Outside Director and overview of expected role Having served in the role of director at Toyota Motor Corporation, Hino Motors, Ltd., and Toyota Tsusho Corporation, Mr. Yoshio Shirai has abundant experience and insights as a manager. He also has experience as an outside director, having served in such positions as outside director and audit & supervisory committee member of Seiko Epson Corporation since 2016. In addition, taking into account the way that he has until now participated in discussions of the Board of Directors as an Outside Director of the Company, utilizing his abundant management experience and insights to provide apt opinions, the Company believes that he is qualified to serve as an Outside Director. Given the above, the Company has determined that his contribution is necessary as an Outside Director for the discussion of important management issues at meetings of the Board of Directors of the Company and for the supervision of management. For these reasons, the Company nominates him as a candidate for Director, Member of the Audit and Supervisory Committee.</p> <p>Given his experience and insight from working at the many leading companies mentioned above and his record as an Audit and Supervisory Committee Member of the Company, the Company expects Mr. Shirai to demonstrate the supervision function of company management from an objective perspective that is independent from business executives. In particular, the Company expects him to offer supervision and advice in the Company's business structure reforms during the operational turnaround phase and advice and proposals, etc., regarding medium- to long-term management strategy decisions and revision of the business portfolio for the subsequent sustainable growth phase.</p>
		<p>Independence There are no conflicts either with our standards for independence or with those prescribed by the Tokyo Stock Exchange, and the Company believes he is qualified to serve as an outside director, which requires an independent standpoint. Although he has in the past served in executive roles at Toyota Motor Corporation, Hino Motors, Ltd., and Toyota Tsusho Corporation, both sales and purchasing transactions between the Company and these companies account for less than 1% of the respective consolidated net sales at any of those involved, and none correspond to a major business partner as prescribed in the Company's standards for independence. Currently, he is registered as an independent officer with the Tokyo Stock Exchange, and in the event that his reelection is approved, the Company intends to register him as continuing as an independent officer.</p>
		<p>Special interest between the Company and the candidate There are no special interest between the candidate and the Company.</p>

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities at the Company and significant concurrent positions
3	 <p>Hamako Hanazaki (May 24, 1968, 53 years old)</p> <p>[Re-election] [Outside Director] [Independent Officer]</p> <p>Number of the Company's shares owned 0</p> <p>Tenure as Director 2 years</p> <p>Attendance at the Board of Directors Meetings 100% (23/23)</p> <p>Attendance at the Audit and Supervisory Committee Meetings 100% (17/17)</p>	<p>Apr. 1996 Registered as an attorney at law</p> <p>Apr. 2004 Established Akao-Hanazaki Law Office (current Kita-Aoyama Law Office) (to present)</p> <p>Apr. 2012 Member of the Intermediary Committee of Nuclear Damage Compensation Dispute Resolution Center (to present)</p> <p>Apr. 2015 Non-full time Inspector of Secretariat of Reemployment Surveillance Commission, Cabinet Office (to present)</p> <p>May 2016 Director of General Incorporated Foundation <i>Jyutaku Kinyu Fukyu Kyokai</i> (Housing Finance Popularization Association) (to present)</p> <p>June 2019 Director, Member of the Audit and Supervisory Committee of the Company (to present)</p> <p>Reason for nomination as an Outside Director and overview of expected role In addition to her high degree of expertise as an attorney at law, Ms. Hamako Hanazaki has been involved in corporate legal affairs for many years and thus has sufficient knowledge of corporate management. Taking into account the way that she has until now participated in discussions of the Board of Directors as an Outside Director of the Company, providing apt opinions concerning legal risks and compliance, the Company believes that she is qualified to serve as an Outside Director. Given the above, the Company has determined that her contribution is necessary as an Outside Director for the discussion of important management issues at meetings of the Board of Directors of the Company and for the oversight and supervision of management. For these reasons, the Company nominates her as a candidate for Director, Member of the Audit and Supervisory Committee. Given Ms. Hanazaki's continuing objective perspective independent from business executives and her knowledge and experience as a legal expert, the Company expects her to provide supervision, advice and proposals from the perspective of strengthening corporate governance, including ensuring legal compliance, under the operational turnaround phase and in the subsequent sustainable growth phase.</p> <p>Independence There are no conflicts either with our standards for independence or with those prescribed by the Tokyo Stock Exchange, and the Company believes she is qualified to serve as an outside director, which requires an independent standpoint. Furthermore, as an attorney at law she is affiliated with Kita-Aoyama Law Office, but the Company has no dealings with this firm. Currently, she is registered as an Independent Officer with the Tokyo Stock Exchange, and in the event that her reelection is approved, we intend to register her as continuing as an Independent Officer.</p> <p>Special interest between the Company and the candidate There are no special interest between the candidate and the Company.</p>

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities at the Company and significant concurrent positions
4	 <p>Keiji Yoshikawa (July 6, 1950, 70 years old)</p> <p>[New candidate] [Outside Director] [Independent Officer]</p> <p>Number of the Company's shares owned 0</p>	<p>Apr. 1973 Joined Nippon Sheet Glass Co., Ltd.</p> <p>June 2008 Director, Executive Officer and Head of Specialty Glass SBU of Nippon Sheet Glass Co., Ltd.</p> <p>Feb. 2012 Director, Representative Executive Officer, Executive Vice President and CPMO (Chief Project Management Officer) of Nippon Sheet Glass Co., Ltd.</p> <p>Apr. 2012 Representative Executive Officer, President and CEO of Nippon Sheet Glass Co., Ltd.</p> <p>June 2015 Adviser of Nippon Sheet Glass Co., Ltd.</p> <p>June 2018 Outside Board Director of Kansai Paint Co., Ltd. (to present)</p> <p>May 2021 Outside Director of AEON DELIGHT CO., LTD. (to present)</p> <p>Reason for nomination as an Outside Director and overview of expected role As the CEO of a global company, Mr. Keiji Yoshikawa has extensive experience and knowledge regarding corporate management and strengthening corporate governance systems, having led a management restructure and built one of Japan's best corporate governance systems. Moreover, he also has experience as a supervisor of management, having served as an Outside Director of Kansai Paint Co., Ltd. since 2018. Given the above, the Company has determined that his contribution is necessary as an Outside Director for strengthening corporate governance of the Company, as well as in discussion of important management issues at meetings of the Board of Directors of the Company and for the supervision of management. For these reasons, the Company nominates him as a candidate for Director, Member of the Audit and Supervisory Committee.</p> <p>Given his experience and insight from working at the leading companies mentioned above and his record, the Company expects Mr. Yoshikawa to demonstrate the supervision function of company management from an objective perspective that is independent from business executives. In particular, the Company expects him to offer supervision and advice in the Company's business structure reforms during the operational turnaround phase and advice and proposals, etc., regarding medium- to long-term management strategy decisions and revision of the business portfolio for the subsequent sustainable growth phase.</p> <p>Independence There are no conflicts either with our standards for independence or with those prescribed by the Tokyo Stock Exchange, and the Company believes he is qualified to serve as an outside director, which requires an independent standpoint. Although he has in the past served in executive roles at Nippon Sheet Glass Co., Ltd, both sales and purchasing transactions between the Company and this company account for less than 1% of their respective consolidated net sales, and it does not correspond to a major business partner as prescribed in the Company's standards for independence. In the event that he is appointed Director, Member of the Audit and Supervisory Committee, the Company intends to register him as an independent officer with the Tokyo Stock Exchange.</p> <p>Special interest between the Company and the candidate There are no special interest between the candidate and the Company.</p>

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities at the Company and significant concurrent positions
5	 <p>Yoji Yamaguchi (June 14, 1955, 66 years old)</p> <p>[New candidate] [Outside Director] [Independent Officer]</p> <p>Number of the Company's shares owned 0</p>	<p>Apr. 1978 Joined The Mitsui Bank, Limited (currently Sumitomo Mitsui Banking Corporation)</p> <p>Apr. 2006 General Manager of Administrative Department of Sumitomo Mitsui Banking Corporation</p> <p>June 2008 Standing Corporate Auditor of Sumitomo Mitsui Financial Group, Inc. (Retired in June 2014)</p> <p>Reason for nomination as an Outside Director and overview of expected role Mr. Yamaguchi has considerable knowledge of finance and accounting from his experience serving in a key role of a major city bank over many years, and he also has extensive experience and knowledge of corporate management. He also has deep insight into management supervision during emergencies, having served as Standing Corporate Auditor of Sumitomo Mitsui Financial Group, Inc. during the global financial crises of 2008, when many banks very survival was imperiled. Given the above, the Company has determined that his contribution is necessary as an Outside Director for the discussion of important management issues at meetings of the Board of Directors of the Company and for the supervision of management. For these reasons, the Company nominates him as a candidate for Director, Member of the Audit and Supervisory Committee.</p> <p>The Company expects Mr. Yamaguchi to demonstrate the supervision function of company management from an objective perspective that is independent from business executives. In particular, the Company expects him to offer supervision and advice in the Company's business structure reforms during the operational turnaround phase and advice and proposals, etc., regarding medium- to long-term management strategy decisions and revision of the business portfolio for the subsequent sustainable growth phase.</p> <p>Independence There are no conflicts either with our standards for independence or with those prescribed by the Tokyo Stock Exchange, and the Company believes he is qualified to serve as an outside director, which requires an independent standpoint. In the event that he is appointed Director, Member of the Audit and Supervisory Committee, the Company intends to register him as an independent officer with the Tokyo Stock Exchange.</p> <p>Special interest between the Company and the candidate There are no special interest between the candidate and the Company.</p>

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities at the Company and significant concurrent positions
6	 <p>Kozo Meguro (February 1, 1953, 68 years old)</p> <p>[New candidate] [Outside Director] [Independent Officer]</p> <p>Number of the Company's shares owned 0</p>	<p>Sept. 1984 Joined Chuo Accounting Office Audit Corporation</p> <p>Oct. 1989 Registered as a Certified Public Accountant</p> <p>July 2002 Representative Partner of Chuo Aoyama Audit Corporation</p> <p>Sept. 2006 PricewaterhouseCoopers Aarata was established Representative Partner</p> <p>July 2013 Established MEGURO & Co. (to present)</p> <p>June 2014 Outside Audit & Supervisory Board Member of KYOWA EXEO CORPORATION</p> <p>Reason for nomination as an Outside Director and overview of expected role In addition to his high degree of expertise as a certified public accountant, Mr. Kozo Meguro possesses ample knowledge in corporate management due to experiences about audits on many companies over years. He also has experience of operational audits from serving as Outside Audit & Supervisory Board Member of KYOWA EXEO CORPORATION. Given the above, the Company has determined that his contribution is necessary as an Outside Director for the discussion of important management issues at meetings of the Board of Directors of the Company and for the oversight of management. For these reasons, the Company nominates him as a candidate for Director, Member of the Audit and Supervisory Committee. The Company expects Mr. Meguro to provide supervision, advice, and proposals from the perspective of corporate governance for the operational turnaround phase and the subsequent sustainable growth phase from an objective perspective separated from business executives, based on his knowledge and experience as a professional accountant.</p> <p>Independence There are no conflicts either with our standards for independence or with those prescribed by the Tokyo Stock Exchange, and the Company believes he is qualified to serve as an outside director, which requires an independent standpoint. Furthermore, although he was previously a representative partner of PricewaterhouseCoopers Aarata LLC, which is the Company's Accounting Auditor, he was never engaged in audits of the Company while serving at said audit firm and he left PricewaterhouseCoopers Aarata LLC in June 2013. In the event that he is appointed Director, Member of the Audit and Supervisory Committee, the Company intends to register him as an independent officer with the Tokyo Stock Exchange.</p> <p>Special interest between the Company and the candidate There are no special interest between the candidate and the Company.</p>

(Reference)

[Independence Standards for Outside Directors]

A person to whom any of the following items currently applies, or has applied within the past three years, and the spouse or relative within the second degree of kinship of such a person does not have independence.

- A major business partner of the Group^{*1} or an executive thereof^{*2}
- A person for which the Group is a major business partner or an executive thereof
- A shareholder with 10% or more of the total voting rights of the Company or an executive thereof
- A person or an executive who has received moneys or substantial compensation in other form^{*3} from the Company or its subsidiary, other than compensation obtained as an outside officer of the Company.

To ensure that the Outside Directors can allocate sufficient time and energy to the Group's service, the number of concurrent companies at which they may engage in as Outside Directors, including the Company, is limited to four in principle.

^{*1} Major business partner: A business partner for which the consolidated sales of the Company account for 1% or more of consolidated net sales, as well as a business partner for which the purchases by the Company account for 1% or more of consolidated net sales

^{*2} Executive: An executive director or an employee under said director

^{*3} Substantial compensation: Amounts in excess of ¥10 million per year

[Nominating Advisory Committee]

Regarding the nomination of candidates for Directors not serving as Audit and Supervisory Committee Members, and Directors, Members of the Audit and Supervisory Committee, the Nominating Advisory Committee, which is the advisory body of the Board of Directors, verifies the fairness and appropriateness of the decision process regarding the nomination criteria and the reasons for appointment, including the achievements of each candidate. The Nominating Advisory Committee is comprised of the Director, President & CEO, the Director in charge of human resources, and three Outside Directors; and chaired by an Outside Director.

For this General Meeting of Shareholders, the Nominating Advisory Committee concluded that the decisions were fair and reasonable regarding the candidates for Directors not serving as Audit and Supervisory Committee Members and the candidates for Directors, Members of the Audit and Supervisory Committee.

[Opinions of Audit and Supervisory Committee Regarding Nomination of Directors]

The Audit and Supervisory Committee received a report from the Audit and Supervisory Committee Member who attended a meeting of the Nominating Advisory Committee and discussed such report. As a result, the Audit and Supervisory Committee reached the conclusion that the decision process for the nomination of Directors of the Nominating Advisory Committee is appropriate, they agree to be added to proposals relating to the election of Directors, Members of the Audit and Supervisory Committee, and there are no special matters to be stated at the General Meeting of Shareholders pursuant to the provisions of the Companies Act.

[Directors' Skill Matrix]

The Company is currently in an operational turnaround phase, after a sharp decrease in performance in the previous fiscal year. The Company is gradually proceeding to delegate authority to executive Directors in line with the key initiative of “strengthening of corporate governance” under the “100-Day Plan” for an operational turnaround. At the same time, the Company will further shift the function of the Board of Directors from execution to supervision. This Skill Matrix maps the skills possessed by the candidates to the skills thought necessary in light of the aforementioned status of the Company’s operations and necessary to envisage the ideal shape of the Company’s business after staging a quick business recovery.

If the Proposal No. 2 and the Proposal No. 3 are approved, the Company’s Directors will be as follows.

		Experience/Competence/Expertise			
		Management (CEO)	Management (Planning)	Development of Successors	Governance
Directors not serving as Audit and Supervisory Committee Members	Masahiko Ito	●		●	
Director not serving as Audit and Supervisory Committee Member	Naoki Okada		●		●
Directors not serving as Audit and Supervisory Committee Members	Joseph E. Gallagher	●			
Director not serving as Audit and Supervisory Committee Member	Masato Inaba				
Director, Member of the Audit and Supervisory Committee	Shigeo Sekikawa		●		●
Director, Member of the Audit and Supervisory Committee (Outside)	Yoshio Shirai	●		●	
Director, Member of the Audit and Supervisory Committee (Outside)	Hamako Hanazaki				
Director, Member of the Audit and Supervisory Committee (Outside)	Keiji Yoshikawa	●		●	●
Director, Member of the Audit and Supervisory Committee (Outside)	Yoji Yamaguchi				
Director, Member of the Audit and Supervisory Committee (Outside)	Kozo Meguro				

		Experience/Competence/Expertise				Category	
		Global	Finance and Accounting	Legal Affairs and Compliance	Tele-communications Network*	Gender	Nationality
Directors not serving as Audit and Supervisory Committee Members	Masahiko Ito					Male	Japanese
Directors not serving as Audit and Supervisory Committee Members	Naoki Okada				●	Male	Japanese
Directors not serving as Audit and Supervisory Committee Members	Joseph E. Gallagher	●			●	Male	USA
Directors not serving as Audit and Supervisory Committee Members	Masato Inaba	●			●	Male	Japanese
Director, Member of the Audit and Supervisory Committee	Shigeo Sekikawa			●		Male	Japanese
Director, Member of the Audit and Supervisory Committee (Outside)	Yoshio Shirai					Male	Japanese
Director, Member of the Audit and Supervisory Committee (Outside)	Hamako Hanazaki			●		Female	Japanese
Director, Member of the Audit and Supervisory Committee (Outside)	Keiji Yoshikawa					Male	Japanese
Director, Member of the Audit and Supervisory Committee (Outside)	Yoji Yamaguchi		●			Male	Japanese
Director, Member of the Audit and Supervisory Committee (Outside)	Kozo Meguro		●			Male	Japanese

* “Tele-communications network” indicates insight in regard to telecommunication systems business, a driver for the Company’s early operational turnaround and sustainable growth.

(Attachment)

Business Report (from April 1, 2020 to March 31, 2021)

1. Current Status of the Fujikura Group

(1) Business Progress and Results

The Japanese economy in the fiscal year 2020 saw severe restrictions on social and economic activity in conjunction with the spread of COVID-19. In addition, the harsh situation remained due to the re-declaration of a state of emergency as a result of the further spread of COVID-19 since December of 2020.

As for the business performance of the Group for fiscal year 2020, as a result of implementing various measures in line with the 100-Day Plan for the operational turnaround that was formulated in response to the rapid and significant deterioration in the business performance in the previous fiscal year, net sales decreased by 4.3% year-on-year to ¥643.7 billion and operating profit increased by ¥21.1 billion from the previous fiscal year to ¥24.4 billion, a significant increase despite the decrease in revenue.

Sales declined as a result of the suspension of production by automobile manufacturers and the fall in demand of the domestic electric wires market due to the impact of the spread of COVID-19.

With regard to profit, in addition to obtaining positive effects from the business structural reforms and various measures including cost reduction measures, as well as from valuation gains due to increasing copper prices, we were able to accurately capture the growth in demand for FTTx (*) and hyper scale data centers in Europe and the U.S. in the Power & Telecommunication Systems business, due to robust power infrastructure investments in North America and the success of our efforts to strengthen sales of ultra-multi-core ultra-thin optical cables and related products, which are high value-added products. In addition, in the Electronics business segment, an increase in demand for products for smartphones and the capturing of demand for digital devices driven by stay-at-home requests, etc., resulted in an increase in operating profit.

As for ordinary profit, as a result of recording ¥4.7 billion in non-operating income and ¥10.7 billion in non-operating expenses, the Company achieved ordinary profit of ¥18.4 billion, an increase of ¥17.1 billion year-on-year.

In terms of extraordinary income and losses, a total of ¥6.8 billion in extraordinary income was recorded, including ¥4.3 billion in gain on sales of non-current assets and ¥1.5 billion in gain on sales of shares for cross-shareholdings in accordance with the purport of the Corporate Governance Code. Meanwhile, a total of ¥24.0 billion in extraordinary loss was recorded, consisting mainly of ¥16.8 billion in impairment loss on FPC production facilities and other factors, ¥3.6 billion in business restructuring expenses associated with site consolidation in Japan as well as overseas, and ¥2.0 billion in idle costs as a result of the spread of COVID-19.

As a result of this, the loss attributable to owners of the parent was ¥5.4 billion. With regard to final profit (loss), although we still recorded losses, it was an improvement of ¥33.1 billion from the previous fiscal year.

With regard to the year-end dividends of surplus for the fiscal year under review, in light of the recording of losses continued on from the previous fiscal year, the Company regrettably proposes not to pay year-end dividends. The Company wishes to extend its sincere apologies for this state of affairs.

The Company is working diligently to recover and improve its business performance, by carrying out various measures, such as the business plan for fiscal year 2021 and priority issues outlined in “(2) Issues Facing the Fujikura Group.”

(*) FTTx refers to optical fiber networks connecting relay stations of telecommunications providers and various users including in homes and buildings. A typical example is Fiber To The Home (FTTH), which connects homes with optical fiber.

Overview of Business Results by In-house Company

(Billions of yen)

Segments, etc.	Fiscal year	172nd period FY2019	173rd period (current period) FY2020	Variation
Power & Telecommunication Systems Company		327.8	305.9	(21.9)
Electronics, Automotive & Connector Business Company*		327.6	321.8	(5.8)
Electronics business segment		178.3	199.9	21.5
Automotive Products business segment		149.3	121.9	(27.4)
Real Estate Business Company		11.3	10.9	(0.4)
Other		5.6	5.2	(0.4)
Total		672.3	643.7	(28.6)

* From the 173rd period (the current period), the classification of certain business, which has previously been included in the “Automotive Products business segment,” have been reclassified “Electronics business segment.” The category for the 172nd period is also shown reflecting the reclassification.

Power & Telecommunication Systems Company

Major lines of business

This in-house company offers a variety of electric wires, cables and equipment, including those for industrial use, and for power transmission, distribution and communication as well as optical fiber cables and various products for the construction of optical networks.

Industrial electric wires, telecommunications metal cables, overhead transmission wires, OPGW (Optical Ground Wires), power distribution lines, cables for power supply, connection components for electric wires and power supply cables, magnet wires, optical fibers, optical fiber cables, connection components including optical connectors, optical devices, optical fusion splicers, optical line monitoring systems, optical transmitters, optical wiring systems and related installation work

The in-house company as a whole posted net sales of ¥305.9 billion, down 6.7% year-on-year, and operating profit improved by ¥13.6 billion year-on-year to an operating profit of ¥18.1 billion.

In the Power Systems business segment, demand for electric wires for construction use fell mainly in Japan due to a decline in demand for the Olympic Games and Paralympic Games, postponement of construction work due to the spread of COVID-19, and reduced purchases of electric wires due to a sharp rise in copper prices. As a result of the Company’s withdrawal from overseas bases as part of its business restructuring, net sales decreased by 11.9% year-on-year to ¥165.6 billion. In terms of profit, there was an increase as a result of the structural reforms and cost reduction measures, and in addition, due to the strong demand for power infrastructure investment in the U.S., as well as differences in material valuations caused by the increase in copper prices.

In the Telecommunication Systems business segment, the price of optical fiber in the Chinese market showed signs of bottoming out after plummeting due to excessive market competition. However, the situation of oversupply of optical fiber remained unchanged and the price level was still severe, and as a result, we shifted the main focus of this business segment from optical fiber to optical cables which are higher value-added products. In addition, we have decided to switch our main market focus from China to Europe and the U.S., as there we expect significant demand for communication networks infrastructure as well as for hyper-scale data centers.

Due to the success of this change in strategy, and driven by the increase in demand for the development of communication networks infrastructure due to the spread of COVID-19, we expanded sales of the Company’s high value-added strategic product “Spider Web Ribbon®/Wrapping Tube Cable®” (hereinafter referred to as “SWR®/WTC™”)*, as well as of optical wiring solution-related products, including optical equipment components and optical fusion splicers, etc., with focus on SWR®/WTC™. On the other hand, due to a decrease in sales of optical fiber as a result of the change in strategy and a stagnation in telecommunications work due to the impact of the spread of COVID-19, net sales in this

business segment overall remained mostly flat, increasing by only 0.3% year-on-year to ¥140.3 billion, but operating profit increased significantly.

(*) SWR®/WTC™ are optical fiber cables that are thinner, lighter and more precise compared with conventional products, which can reduce installation costs.

Electronics, Automotive & Connector Business Company

Major lines of business

This in-house company provides various components of electronic equipment for digital home electronics and mobile devices, as well as various electric components for automobiles, etc.

FPCs, connectors, membrane switches, electronic wires, HDD components, sensors, heat pipes, wire harnesses and automotive components

The in-house company as a whole posted net sales of ¥321.8 billion, down 1.8% year-on-year, and operating profit improved by ¥7.2 billion year-on-year to an operating profit of ¥1.2 billion.

In the Electronics business segment (the electronic equipment components business, including connectors), demand for smart phones from major customers remained strong. In addition, the normalization of new lifestyles through remote environments such as working from home and online classes, triggered by the spread of COVID-19, has resulted in increased demand for digital devices used at companies, schools and homes and strong demand for devices used at data centers, which are required to process large amounts of data. The segment also captured the sudden surge in demand for oxygen sensors for medical equipment.

As a result, net sales increased by 12.1% year-on-year to ¥199.9 billion. In terms of profits, in addition to an increase in revenue, efforts to reduce personnel both within Japan and overseas, as well as the strong promotion of measures to reduce inventories, etc. resulted in the segment getting back in the black with an improvement of ¥6.8 billion, year on year, to record a profit of ¥4.9 billion.

In the Automotive Products business segment (wire harnesses and automotive components), despite achieving an increase in orders received due to market recovery in China, the spread of COVID-19 caused closures and production cuts at customer plants, resulting in a significant decrease in orders received overall. As a result, net sales decreased by 18.3% year-on-year to ¥121.9 billion. In terms of profits, in Asia, cost-reduction effects were obtained through business structural reform, while in Europe, our efforts to strengthen order optimization through the growing capabilities of head office management control, while aiming for the optimization of business scale, led to an increase in productivity at our main plant in Morocco. Nevertheless, the significant effect of reduced production by our customers due to the impact of the spread of COVID-19 and the shortage of semiconductors arising in the fourth quarter led to an operating loss overall of ¥3.7 billion, an improvement of ¥0.4 billion year on year.

Real Estate Business Company

Major lines of business

This in-house company is engaged in the building rental business through the operation of “Fukagawa GATHARIA.”

Net sales decreased by 3.6% year-on-year to ¥10.9 billion, and operating profit also decreased by ¥0.2 billion year-on-year, in conjunction with the drop in revenue, to ¥5.2 billion.

Other Matters

The significant decrease in our consolidated net assets due to the decline in our core businesses during the last fiscal year had resulted in breach of the financial restriction clauses in some of our syndicated loan and commitment line agreements. However, we have cleared all breaches of financial restriction clauses by reaching agreement on changes to relevant terms and conditions at present.

Status of “100-Day Plan”

The operational turnaround plan named “100-Day Plan” has progressed as planned largely. Our major initiatives are as follows.

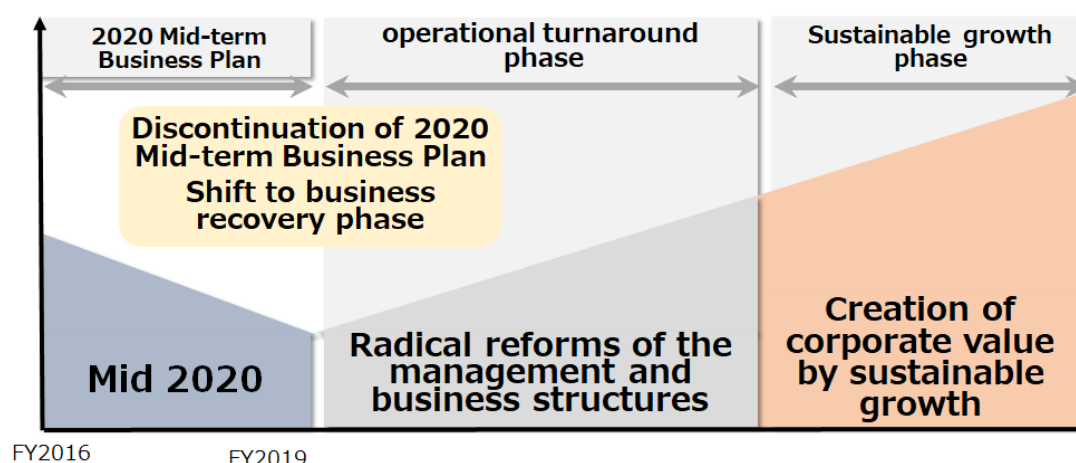
Objective	Initiatives for FY2020
Strengthening governance, etc.	Carry out early retirement incentive program (approximately 200 employees) Managerial overhaul
FPC business	Optimize personnel primarily in overseas business locations Impairment of production facilities
Wire harnesses for automobile business	Carry out consolidation and abolishment of bases in the European region Optimize personnel
Power Systems business	Substantive closure of overseas production bases Withdraw from overseas EPC business (*) Promote selection and concentration of businesses
Telecommunication Systems business	Promote total solutions business with optical cable Carefully select and execute investments to growing businesses

(*) The EPC (Engineering, Procurement and Construction) business provides supply of electric wires and cables as well as design and execution of installation work in an integrated manner.

(2) Issues Facing the Fujikura Group

1. Execution of the Operational Turnaround named “100-Day Plan”

In response to its deterioration of performance in the fiscal year 2019, the Company has entered an operational turnaround phase. As the basic strategy to “focus on early business recovery,” we narrowed our key measures down to the two issues of “**(i) the unreserved selection and concentration of existing businesses**” and “**(ii) strengthening of corporate governance,**” and formulated the 100-Day Plan for the operational turnaround. As a result of taking measures, such as business restructuring, based on the “100-Day Plan,” we realized a certain level of recovery in profitability in the fiscal year 2020. However, as shown by recording our worst ever deficit, we are still only halfway toward business recovery, and we plan to continue to push forward with every measure based on the 100-Day Plan in the fiscal year 2021.



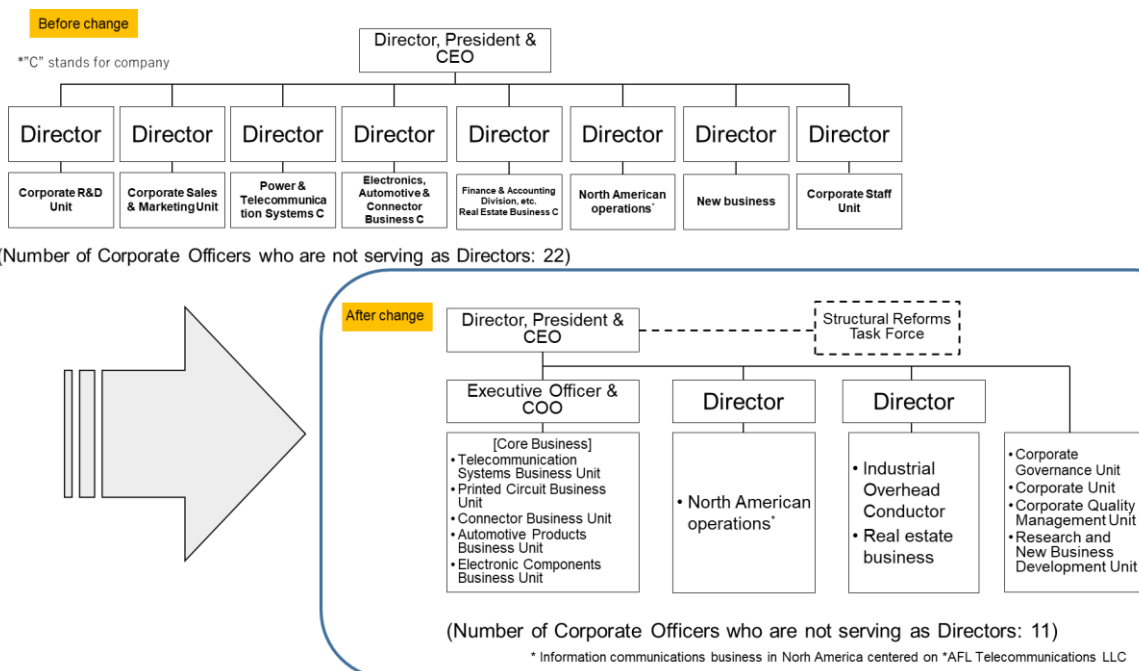
Regarding innovation of the management system

Effective April 1, 2021, we implemented significant changes to our managerial structure prior to the election of Directors at this Annual General Meeting of Shareholders in order to agilely and swiftly implement the business recovery plan named “100-Day Plan.”

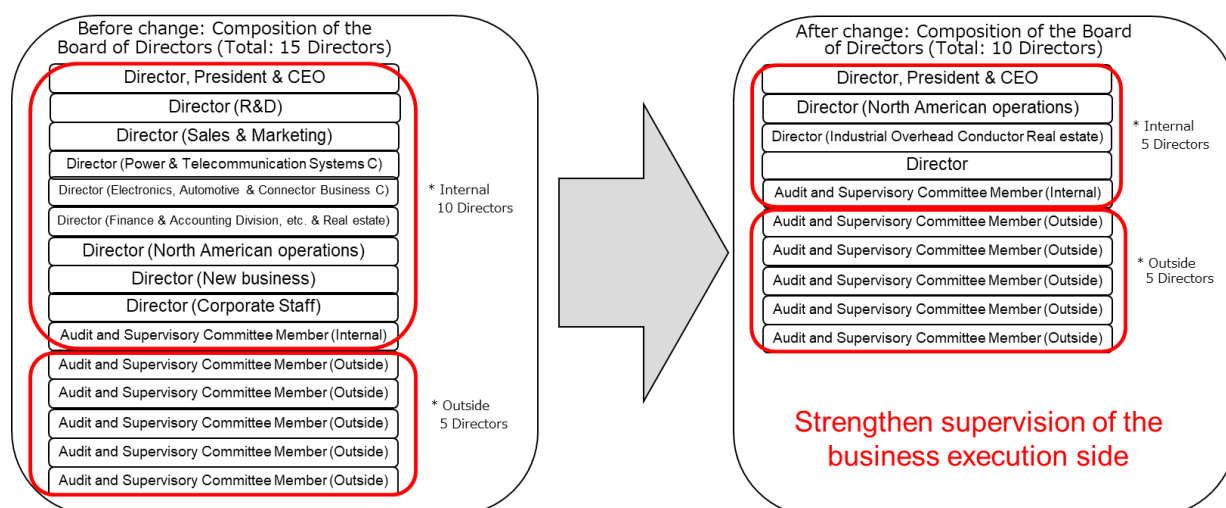
As part of the system for new business promotion, we newly established the positions of CEO (Chief Executive Officer) and COO (Chief Operating Officer). In order to enhance agility in business promotion and improve the speed of business decision making, the Director, President & CEO shall promote efforts to resolve Group-wide management issues and strengthen business structural reform, while the authority for business execution related to core businesses of the Company will be concentrated to the Executive Officer & COO. Under the in-house company system, which the

Company introduced in April 2013, business operations of each in-house company were carried out by the executive director in charge of that company. Now, aiming to agilely and swiftly execute the 100-Day Plan, we are making a staged removal of the existing in-house company system and creating a system of business units as we undertake an organizational restructuring that will install a vertical line of command under the direct control of the COO. Simplifying the intra-company organization in this way will also serve to clarify the responsibilities and authority of the executive officers operating under the COO regarding the businesses they are respectively in charge of, and it will enable the number of executive officers to be reduced by half.

After the restructuring, our systems will be as shown below.



These changes to the managerial structure are intended to further strengthen the supervisory function of the Board of Directors, and made a system in which Outside Directors form a majority in the Company's Board of Directors.



(i) The unreserved selection and concentration of existing businesses

In the business plan for the fiscal year 2021, the Company is aiming for net sales of ¥600 billion (down 6.8% from FY2020), operating profit of ¥20.0 billion (down 18.0%), ordinary profit of ¥16.5 billion (down 13.0%) and profit attributable to owners of the parent of ¥6.5 billion (improvement of ¥11.9 billion). The Company has decided not to specify a forecast for return of profit to shareholders in light of the present situation of only being halfway toward recovery.

As mentioned above, the Company has adopted an in-house company system up until now, comprising the two companies of Power & Telecommunication Systems Company and the Electronics, Automotive & Connector Business Company. These are being restructured into the five core business units of Telecommunication Systems Business Unit, PC Business Unit^(*), Connector Business Unit, Electronic Components Business Unit, and Automotive Products Business Unit

(*) The “Printed Circuit Business Unit” is a business unit that covers products that utilize circuit-formation products with printing technology, with a focus on printed circuits.

[Core Business]

Telecommunication Systems Business Unit

Demand for telework increased in conjunction with the spread of COVID-19, and demand has also emerged for next generation infrastructure, such as 5G and IoT. Therefore, it is expected that active investments will continue to be made in the construction and enhancement of communications infrastructure networks, including FTTx and data centers, with a focus on Europe and the U.S. in particular. The Company’s strategic products SWR®/WTC™ have been well received as the best solution for enhancing communication infrastructure because it has a small diameter and is light weight and high density as well as easy to install. We will aim to concentrate resources, including the further strengthening of production capacity so as to avoid missing out on these opportunities, and will provide total solutions towards the enhancement of an optical infrastructure network, with the addition of peripheral parts, etc.

Printed Circuit Business Unit

In a situation where the competitive environment continues to intensify as the smartphone demand topping out, in the fiscal year 2021, we expect that sales will fall significantly due to changes in product lineups. We will engage in structural reforms that go as far as to consolidate and abolish basis, and in addition to further cost reductions, we will promote the enhancement of a production system that responds to changes in product lineups. We will further refine our past efforts in order to improve quality and strengthen technological capabilities, and will ensure a shift of business towards a field where our competitive advantage can be maintained.

Connector Business Unit

We made it possible to achieve stable business operation by optimizing our production system through the structural reforms that have been promoted to date. In the future, we will seek sustainable growth through entry into new market fields.

Electronic Components Business Unit

In response to the expanding data center demand, we are maintaining high profitability through the promotion of regeneration, such as the cultivation of new markets and the attraction of new customers, including a response to the increase in HDD capacity and the provision of thermal solutions.

Automotive Products Business Unit

From fiscal year 2021 onward the automobile industry remains in an uncertain state, including the impact of the spread of COVID-19 and the shortage of semiconductors. On the other hand, in terms of production, the “earning power” of the wire harness for automotive business is returning. In the Asian region, restructuring of bases are continuing, while in the European region, we will reduce costs by further improving productivity and improving stability of quality in order to recover to levels that enable us to secure profitability for the business unit overall.

In terms of future efforts for electronics related business in general, we shall work on the entry of electronic products into the automobile market. The automobile industry is going through a once in a century period of transformation, including “CASE” (connected cars, autonomous driving, sharing, and electrification).

We have already jointly developed high speed communication support and power control systems, etc., with a plurality of customers. In the Connector Business Unit, we have commenced mass production of a connector for next generation vehicle-to-vehicle communication from the fiscal year 2021, and in the Printed Circuit Business Unit we have accelerated the development of products in our existing infotainment(*1) and lighting(*2) fields, and additionally, in the powertrain(*3) field.

- (*1) The term “infotainment” is coined by combining information with entertainment. It refers to products for navigation systems and audiovisual devices mainly in the automotive field.
- (*2) The term “lighting” refers to automotive lighting such as headlights, direction indicators, and cabin lights, etc.
- (*3) The term “power train” refers to the overall drive transmission system, and it also refers to the electronic components used in the system for facilitating movements of vehicular behavior such as traveling forward, turning and stopping.

[Other Business Unit, etc.]

Research and Development Unit

In the operational turnaround phase, we should continuously look to identify the businesses, products and technologies suitable for metabolism, while continuing with R&D. Such activities are essential for our business, and they must be continued even once we embark on initiatives for sustainable growth after the operational turnaround phase. Therefore, we integrated the previously established new business promotion function and R&D function to establish the “Research and Development Unit” in April 2021.

This has the following three objectives:

- To maintain technology to support existing business at a global top level, and to create innovative new products
- To promote integrated execution of examination of new locations, the construction of technological infrastructure, and commercialization
- To determine what the future posture of Fujikura should be from a technological perspective, and to contribute to the construction of strategies for growth

With the aim of creating new value, we will closely watch the market needs and demand trends, identify critical themes in which we can leverage our core businesses and technologies, and continue to create new businesses and develop new products.

Structural Reforms Task Force

The various initiatives under the operational turnaround phase, such as reforms to improve the business structure for better business stability and cost reductions through the consolidation and abolishment of bases, have been collectively called the Structural Reforms Task Force. The Structural Reforms Task Force is essential to regenerate business for the Company’s regeneration. Therefore, such activities have special designation by the Director, President & CEO, and each initiative is being executed under the leadership of the Director, President & CEO.

(ii) Strengthening corporate governance

On April 1, 2021, the Company implemented the following measures aimed at strengthening corporate governance: (1) increased the ratio of Outside Directors in the Board of Directors and (2) newly established a Corporate Governance Unit.

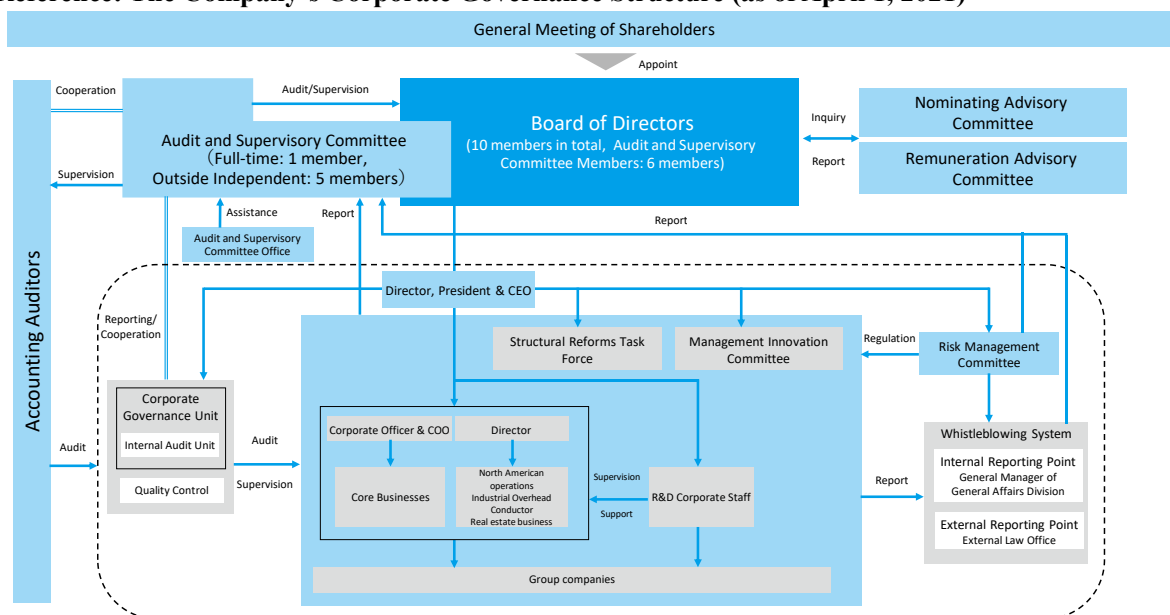
(1) Increase in the ratio of Outside Directors

As a measure to strengthen the supervisory function of the execution of business by the Board of Directors, as of March 31, 2021, over half of the Internal Directors resigned, and from April 1, 2021, the Board of Directors adopted a structure with 10 Directors in total, comprising 5 Outside Directors and 5 Internal Directors. With this, the ratio of Outside Directors in the Board of Directors changed from one in three to one in two. By reducing the number of Internal Directors, the structure of the Board of Directors changed from a structure in which the majority represented the profit of the business segments to a structure in which the majority comprised Outside Directors independent from the Company's management and possessing management experience and professional knowledge of finance and the law, etc. In this way, the Board of Directors will deliberate and decide on important issues related to management (such as proposal of medium- to long-term strategies and revision of the business portfolio).

(2) New establishment of the Corporate Governance Unit

The Company has newly established the Corporate Governance Unit with cross-organizational functions to keep each business execution unit in check while providing monitoring and supervision of them in order to build a governance structure to carry out appropriate monitoring of business execution across the entire Group.

Reference: The Company's Corporate Governance Structure (as of April 1, 2021)



- Nominating Advisory Committee: Advisory body to the Board of Directors established with the purpose of ensuring the objectivity and transparency of decision-making processes related to the nomination of candidates for Directors. (Comprises 4 members. Committee chair: Mr. Shirai (Director)*, Committee members: Mr. Shimojima (Director)*, Ms. Murata (Director)*, Mr. Ito (President & CEO & Representative Director))
 - Remuneration Advisory Committee: Advisory body to the Board of Directors established with the purpose of ensuring the objectivity and transparency of decision-making processes related to the remuneration of candidates for Directors. (Comprises 4 members. Committee chair: Mr. Shimojima (Director)*, Committee members: Mr. Abe (Director)*, Mr. Shirai (Director)*, Mr. Ito (President & CEO & Representative Director))
 - Risk Management Committee: Committee established to verify the Company's business execution system and execution status from the perspective of risk (including compliance), to prevent and evaluate losses, to formulate policies, and to share the contents of the said policies (Comprises Executive Directors and Corporate Officers. Committee chair: Mr. Ito (President & CEO & Representative Director))
 - Management Innovation Committee: Committee that promotes streamlining of management resources (including governance), improving efficiency through expense reductions, and improving profitability through the enhancement of sales and purchasing power (overall committee leadership provided by Mr. Ito (President & CEO & Representative Director, with each Executive Director promoting management items)
- (An asterisk (*) indicates Outside Director)

2. Quality management-related measures

In order to prevent recurrence of cases of impropriety related to the quality control, the Company has positioned quality management as an important issue, reviewed the “Fujikura Quality Policy,” a company-wide policy that prioritizes quality compliance, implemented measures to fully disseminate this policy, conducted quality compliance training for all Group employees, and decided to continue these initiatives. Our governance reforms have included the maintenance of independence of the quality assurance departments, continuing the reinforcement of effectiveness through provision of education and training, the creation of an electronic system that eliminates human manipulation, and raising awareness of our whistleblowing system.

3. Climate change initiatives

The Group is working to achieve the United Nation’s Sustainable Development Goals (SDGs) in order to solve social issues through its business. With regard to the issue of climate change, which has become a global issue these days in particular, the Group established Fujikura Group Environment Long-term Vision 2050 in 2016, and has commenced efforts to eliminate all CO2 emissions from all of its plants by 2050. In addition, we have joined the international organization RE100, which aims for 100% renewable energy by 2050, and support the TCFD (Task Force on Climate-related Financial Disclosures), which is an international activity of disclosure recommendations regarding the risks of climate change, and we will continue to work on climate change initiatives.

4. Initiatives for Monozukuri DX (Digital Transformation)

The Company has formulated the “True Connected-Fujikura (TCF)” concept to convert all factories in the Group to smart factories through “Monozukuri DX,” and has commenced activities to strengthen production through DX. Through organically connecting data, collected from on-site operations, with each tier of management, and cycling through the PDCA cycle (Plan, Do, Check, Action), we will be able to achieve timely factory management and data-driven* business management, thereby realizing our goal of achieving superiority of business through reform of products, services and business processes.

(*) Data Driven refers to next-generation business processes that enable decisions to be made regarding the business while providing ways to solve issues through the results of data analysis of big data that accumulates various types and huge amounts of information using algorithms.

(3) Fujikura Group Capital Investment

The total amount of capital investments was ¥17.7 billion for the 173rd period. Principal capital investments are as follows.

[Power & Telecommunication Systems Company]

With the expectation of capital investment into information infrastructure in North America, we made capital investment in order to expand production capacity of optical fiber cable and related products.

Furthermore, in order to respond to strong capital investment by telecommunications providers and data center business operators in the U.S. and the U.K., we made capital investment in order to expand production capacity for SWR®/WTC™, which are strategic products of optical fiber cables.

[Electronics, Automotive & Connector Business Company]

In the Electronics business segment, in the Kingdom of Thailand, China, and other countries, the Company made capital investments to introduce product automation facilities for digital devices such as smartphones, as well as the improvement of mass production.

(4) Fujikura Group Fund Procurement

(i) Fund procurement

In December 2020, we signed a ¥40.0 billion hybrid loan (subordinated loan) agreement with main financial institutions. In addition, in October 2020 and March 2021 we signed short term loan commitment line agreements with one of our main financial institutions for ¥30.0 billion each, for a total of ¥60.0 billion. There was no borrowing balance at the end of the period under review.

(ii) Principal lenders and loan amounts

(Millions of yen)	
Lender	Loan balance
Sumitomo Mitsui Banking Corporation	29,730
Mizuho Bank, Ltd.	14,717
MUFG Bank, Ltd.	10,120
Sumitomo Mitsui Trust Bank, Limited	8,721
Bank of Ayudhya Public Company Limited.	7,413
The Shizuoka Bank, Ltd.	6,225
Syndicated loan	48,000
Hybrid loan	40,000

Note: The syndicated loan and the hybrid loan are loans from a syndicate, with Sumitomo Mitsui Banking Corporation as the arranger.

(5) Financial Position and Business Performance

(Millions of yen)				
Category	170th period FY2017	171st period FY2018	172nd period FY2019	173rd period (current period) FY2020
Net sales	740,052	710,778	672,314	643,736
Operating profit	34,343	27,679	3,346	24,422
Ordinary profit	34,122	21,020	1,312	18,380
Profit (loss) attributable to owners of parent	18,359	1,453	(38,510)	(5,369)
EPS (yen)	64.36	5.09	(136.58)	(19.50)
Net assets	241,961	240,910	172,115	184,483
Total assets	638,055	638,318	576,090	569,124

(6) Principal Business Locations of the Fujikura Group (Names and Locations)

◇ The Company

Head office: Koto-ku, Tokyo
 Branches: Kansai Branch (Osaka Prefecture), Chubu Branch (Aichi Prefecture)
 Plants: Sakura Works (Chiba Prefecture), Suzuka Works (Mie Prefecture) and Numazu Works (Shizuoka Prefecture)
 Laboratories: Advanced Technology Laboratory (Chiba Prefecture)

◇ Subsidiaries

Fujikura Dia Cable Ltd. (Tokyo), Nishi Nippon Electric Wire & Cable Co., Ltd. (Oita Prefecture), Yonezawa Electric Wire Co., Ltd. (Fukushima Prefecture), America Fujikura Ltd. (U.S.), Fujikura Electronics (Thailand) Ltd. (the Kingdom of Thailand), Fujikura Electronics Shanghai Ltd. (China), DDK (Thailand) Ltd. (the Kingdom of Thailand), Fujikura Automotive Asia Ltd. (Yamagata Prefecture), Fujikura Automotive Europe S.A.U. (Spain), and Fujikura Automotive America LLC (U.S.)

(7) Employees of the Fujikura Group (As of March 31, 2021)

Segments, etc.	Number of employees	
Power & Telecommunication Systems Company	11,283	(1,091)
Electronics, Automotive & Connector Business Company	41,196	(13,880)
Electronics business segment	13,505	(8,070)
Automotive Products business segment	27,691	(5,810)
Real Estate Business Company	17	(20)
Head office and other	1,221	(172)
Total	53,717	(15,163)

Note: Figures shown in parentheses above are annual average numbers of temporary employees, excluded from the total number of employees.

(8) Principal Subsidiaries

The outline of principal subsidiaries of the Company is as follows. Each subsidiary manufactures and sells the products listed in the right column. The Company has 101 consolidated subsidiaries (same as the end of the previous fiscal year) and 9 subsidiaries (same as the end of the previous fiscal year) under the equity method.

Company name, etc.	Share capital Ownership percentage	Major lines of business
Fujikura Dia Cable Ltd.	¥5,400 million 60.0%	Electric wires and cables
Nishi Nippon Electric Wire & Cable Co., Ltd.	¥960 million 60.8%	Electric wires and cables and optical cables
Yonezawa Electric Wire Co., Ltd.	¥400 million 94.9%	Electric wires and cables
America Fujikura Ltd.	202 million U.S. dollars 100.0%	OPGW, optical cables, optical fusion splicers, optical connection parts and telecommunications related work
Fujikura Electronics (Thailand) Ltd.	11,552 million Thai baht 100.0%	FPCs and electronic components
Fujikura Electronics Shanghai Ltd.	97 million renminbi 100.0%	FPCs
DDK (Thailand) Ltd.	1,730 million Thai baht 100.0%	Connectors
Fujikura Automotive Asia Ltd.	¥1,773 million 100.0%	Wire harnesses for automobiles
Fujikura Automotive Europe S.A.U.	60,000 euros 100.0%	Wire harnesses for automobiles
Fujikura Automotive America LLC	3 million U.S. dollars 100.0%	Wire harnesses for automobiles

2. Company's Stock (As of March 31, 2021)

- (1) Number of Authorized Shares 1,190,000,000 shares
 (2) Number of Shares Issued 295,863,421 shares (including 19,455,441 shares of treasury shares)
 (3) Number of Shareholders 29,852 (down 5,242 from the previous fiscal year end)
 (4) Major Shareholders

(Thousand shares; %)

Name	Number of shares held	Percentage of total shares issued
The Master Trust Bank of Japan, Ltd. (Trust Account)	31,750	11.49
Custody Bank of Japan, Ltd. (Trust Account)	19,492	7.05
Taiju Life Insurance Company Limited	10,192	3.69
Sumitomo Mitsui Banking Corporation	8,456	3.06
Custody Bank of Japan, Ltd. (Sumitomo Mitsui Trust Bank, Limited Retirement Benefit Trust Account)	6,777	2.45
Dowa Metals & Mining Co., Ltd.	6,564	2.37
The Shizuoka Bank, Ltd.	5,789	2.09
Fujikura Employees Shareholding Association	4,844	1.75
Custody Bank of Japan, Ltd. (Trust Account 5)	3,656	1.32
JP MORGAN CHASE BANK 385781	3,415	1.24

Notes:

- The numbers presented in "Number of shares held" are based on the list of shareholders.
- Although the Company owns 19,455,441 shares of treasury shares, this is excluded from the above table. Treasury shares does not include 899,933 shares held by the trust account relating to the stock distribution trust established for the stock-based compensation plan for Directors (excluding Outside Directors) not serving as Audit and Supervisory Committee Members and Corporate Officers.
- The percentage values presented in "Percentage of total shares issued" are calculated excluding treasury shares.

(5) Shares delivered during the fiscal year to Directors as consideration for their execution of duties

	Number of shares	Number of subject Directors
Directors not serving as Audit and Supervisory Committee Members	11,594	1

Note: Details regarding the Company's stock-based compensation are described in this convocation notice on page 35 under "(5) Compensation, etc. to Directors."

3. Company's Officers (As of March 31, 2021)

(1) Directors

Position	Name	Responsibilities
Director, President & CEO*	Masahiko Ito	Governance, Corporate Quality Management Unit, Internal Audit Office, Internal Control Division
Executive Vice President & Director*	Akira Wada	Corporate R&D Unit, Corporate Production Unit
Executive Vice President & Director	Takeaki Kitajima	Corporate Sales & Marketing Unit, Power & Telecommunication Systems Company (Power Systems business segment)
Senior Vice President & Director	Hideyuki Hosoya	Power & Telecommunication Systems Company (Telecommunication Systems business segment)
Senior Vice President & Director	Takashi Takizawa	Electronics, Automotive & Connector Business Company
Senior Vice President & Director	Tetsu Ito	Corporate Staff Unit (Finance & Accounting Division and others), Real Estate Business Company
Senior Vice President & Director	Joseph E. Gallagher	President, AFL Telecommunications LLC
Senior Vice President & Director	Masato Inaba	New Business Development Center
Senior Vice President & Director	Shigeo Sekikawa	Corporate Staff Unit (Corporate Strategy Planning Division, Legal Department, Human Resource Division and others)
Director, Member of the Audit and Supervisory Committee (Full-time)	Yasuyuki Oda	
Director, Member of the Audit and Supervisory Committee (Outside)	Masaaki Shimojima	
Director, Member of the Audit and Supervisory Committee (Outside)	Kenichiro Abe	
Director, Member of the Audit and Supervisory Committee (Outside)	Yoshio Shirai	
Director, Member of the Audit and Supervisory Committee (Outside)	Tsuneko Murata	
Director, Member of the Audit and Supervisory Committee (Outside)	Hamako Hanazaki	

Notes:

- The asterisk (*) indicates a Representative Director.
- A full-time Member of the Audit and Supervisory Committee is selected to ensure the effectiveness of the activities of the Audit and Supervisory Committee.
- Directors, Members of the Audit and Supervisory Committee Mr. Masaaki Shimojima, Mr. Kenichiro Abe, Mr. Yoshio Shirai, Ms. Tsuneko Murata and Ms. Hamako Hanazaki serve as Outside Directors, as provided for in Article 2, Item 15 of the Companies Act.
- Director, Member of the Audit and Supervisory Committee Mr. Yasuyuki Oda has experience in the Finance & Accounting Division of the Company for many years and has a significantly high level of knowledge about finance and accounting.
Director, Member of the Audit and Supervisory Committee Mr. Masaaki Shimojima has assumed key posts in a major city bank for many years and has a significantly high level of knowledge about finance and accounting.
Director, Member of the Audit and Supervisory Committee Mr. Kenichiro Abe is a certified public accountant and has a significantly high level of knowledge about finance and accounting.
- Significant concurrent positions are as follows.
Senior Vice President & Director Mr. Joseph E. Gallagher is President of the subsidiaries AFL Telecommunications LLC, ATI International Investments Inc., ITC Service Group Intermediary LLC and FiberRise Communications, LLC.
Director, Member of the Audit and Supervisory Committee Mr. Kenichiro Abe is an External Audit & Supervisory Board Member of SoftBank Corp.
Director, Member of the Audit and Supervisory Committee Mr. Yoshio Shirai is a Director (outside director) and Audit & Supervisory Committee Member of Seiko Epson Corporation.
The Company and Seiko Epson Corporation have dealings relating to sales of FPCs, electronic wires, and pressure

sensors.

Director, Member of the Audit and Supervisory Committee Ms. Tsuneko Murata is an Outside Member of the Audit and Supervisory Board of Japan Finance Corporation and Outside Audit & Supervisory Board Member of Milbon Co., Ltd. Director, Member of the Audit and Supervisory Committee Ms. Hamako Hanazaki is an attorney at law at Kita-Aoyama Law Office.

6. Directors, Members of the Audit and Supervisory Committee Mr. Masaaki Shimojima, Mr. Kenichiro Abe, Mr. Yoshio Shirai, Ms. Tsuneko Murata and Ms. Hamako Hanazaki are registered as Independent Officers with the Tokyo Stock Exchange.
7. Mr. Ikuo Kobayashi has retired from his office as Director as of June 30, 2020, due to his resignation. Executive Vice Presidents & Directors Akira Wada and Takeaki Kitajima and Senior Vice Presidents & Directors Hideyuki Hosoya, Takashi Takizawa and Tetsu Ito have retired from their office as of March 31, 2021, due to their resignations.
8. On April 1, 2021, responsibilities of Directors were changed as follows.

Name	After change	Before change
Masahiko Ito	Director, President & CEO Corporate Governance Unit, Corporate Staff Unit, Corporate Finance & Accounting Unit, Corporate Quality Management Unit, and Research and Development Unit, Structural Reforms Task Force,	Governance, Corporate Quality Management Unit, Internal Audit Office, Internal Control Division
Joseph E. Gallagher	Director Responsible for North American operations, President, AFL Telecommunications LLC	Senior Vice President & Director President, AFL Telecommunications LLC
Masato Inaba	Director Responsible for Industrial Electric Wire Business, Marketing & Procurement Unit and Real Estate Business Unit	Senior Vice President & Director New Business Development Center
Shigeo Sekikawa	Director	Senior Vice President & Director Corporate Staff Unit (Corporate Strategy Planning Division, Legal Department, Human Resource Division and others)

9. Corporate Officers (as of April 1, 2021)

Corporate Officer & COO	Naoki Okada
Corporate Officer	Keiko Shindo
Corporate Officer	Akira Saita
Corporate Officer	Kazuhito Iijima
Corporate Officer	Munehisa Fujimaki
Corporate Officer	Tatsuya Banno
Corporate Officer	Koji Ueda
Corporate Officer	Jason Peng
Corporate Officer	Shuichi Nasu
Corporate Officer	Junji Fukuhara
Corporate Officer	Tetsuya Mangyoku

(2) Overview of directors and officers liability insurance policy

The Company has entered into a directors and officers liability insurance policy with an insurance company, as provided for in Article 430-3, paragraph (1) of the Companies Act. The scope of insureds covered by the directors and officers insurance policy includes the Directors (including Directors who are Audit and Supervisory Committee Members), auditors, and management level personnel of the Company and its subsidiaries. This policy covers the insureds for their legal liability for compensation for damages and litigation expenses arising from the execution of their duties. Moreover, among the insured persons, the Directors (including Directors who are Audit and Supervisory Committee Members) personally cover 5% of their insurance premiums.

(3) Overview of Provisions in Contracts for Liability Limitation

The Company and each Outside Director have entered into a contract to limit their liability to damages in Article 423, paragraph (1) of the Companies Act, in accordance with the provisions of Article 427, paragraph (1) of the said act. The maximum amount of liability for damages under this contract is defined as the amount stipulated by laws and regulations.

(4) Outside Directors

The Company's Outside Directors are Mr. Masaaki Shimojima, Mr. Kenichiro Abe, Mr. Yoshio Shirai, Ms. Tsuneko Murata and Ms. Hamako Hanazaki.

Main activities during the 173rd Period

	Overview of attendance and remarks at meetings, as well as of the duties relating to the role expected for outside directors
Director, Member of the Audit and Supervisory Committee Masaaki Shimojima	<p>The Company expects Mr. Masaaki Shimojima to utilize the experience and knowledge that he has accumulated in important positions in a major city bank over many years, to provide opinions and suggestions, and to demonstrate the supervisory function of company management from an objective position that is independent from executives.</p> <p>By actively participating in meetings of the Board of Directors and other important meetings related to the Company's management, and exchanging opinions with persons who execute business, he uses his experience and insight to provide necessary advice and proposals to ensure appropriateness and fairness from an objective standpoint independent of management, and fulfills the supervisory function of the Company's management. He serves as chair of the Remuneration Advisory Committee, and serves as member of the Nominating Advisory Committee.</p> <p>Attendance at: Board of Directors Meetings: 100% (23/23) Audit and Supervisory Committee Meetings 100% (17/17) Nominating Advisory Committee Meetings 100% (12/12) Remuneration Advisory Committee Meetings 100% (8/8)</p>
Director, Member of the Audit and Supervisory Committee Kenichiro Abe	<p>The Company expects Mr. Kenichiro Abe to utilize his expertise and practical experience as a certified public accountant, to provide opinions and suggestions, and to demonstrate the supervisory function of company management from an objective position that is independent from business executives.</p> <p>By actively participating in meetings of the Board of Directors and other important meetings related to the Company's management, and exchanging opinions with persons who execute business, he uses his experience and insight to provide necessary advice and proposals to ensure appropriateness and fairness from an objective standpoint independent of management, and fulfills the supervisory function of the Company's management. He is a member of the Remuneration Advisory Committee.</p> <p>Attendance at: Board of Directors Meetings: 100% (23/23) Audit and Supervisory Committee Meetings 100% (17/17) Remuneration Advisory Committee Meetings 100% (8/8)</p>
Director, Member of the Audit and Supervisory Committee Yoshio Shirai	<p>The Company expects Mr. Yoshio Shirai to utilize the abundant experience and knowledge that he has accumulated in corporate management over many years, to provide opinions and suggestions, and to demonstrate the supervisory function of company management from an objective position that is independent from executives.</p> <p>By actively participating in meetings of the Board of Directors and other important meetings related to the Company's management, and exchanging opinions with persons who execute business, he uses his experience and insight to provide necessary advice and proposals to ensure appropriateness and fairness from an objective standpoint independent of management, and fulfills the supervisory function of the Company's management. He serves as chair of the Nominating Advisory Committee, and serves as member of the Remuneration Advisory Committee.</p> <p>Attendance at: Board of Directors Meetings: 100% (23/23) Audit and Supervisory Committee Meetings 100% (17/17) Nominating Advisory Committee Meetings 100% (12/12) Remuneration Advisory Committee Meetings 100% (8/8)</p>

	Overview of attendance and remarks at meetings, as well as of the duties relating to the role expected for outside directors
Director, Member of the Audit and Supervisory Committee Tsuneko Murata	<p>The Company expects Ms. Tsuneko Murata to utilize the abundant experience and knowledge that she has accumulated in compliance and corporate governance at companies over many years, to provide opinions and suggestions, and to demonstrate the supervisory function of company management from an objective position that is independent from executives.</p> <p>By actively participating in meetings of the Board of Directors and other important meetings related to the Company's management, and exchanging opinions with persons who execute business, she uses her experience and insight to provide necessary advice and proposals to ensure appropriateness and fairness from an objective standpoint independent of management, and fulfills the supervisory function of the Company's management. She is a member of the Nominating Advisory Committee.</p> <p>Attendance at:</p> <p>Board of Directors Meetings: 100% (23/23)</p> <p>Audit and Supervisory Committee Meetings 100% (17/17)</p> <p>Nominating Advisory Committee Meetings 100% (12/12)</p>
Director, Member of the Audit and Supervisory Committee Hamako Hanazaki	<p>The Company expects Ms. Hamako Hanazaki to use her specialist perspective and practical experience as an attorney, to provide opinions and suggestions, and to demonstrate the audit function of company management from an objective perspective that is independent from executives.</p> <p>By actively participating in meetings of the Board of Directors and other important meetings related to the Company's management, and exchanging opinions with persons who execute business, she uses her experience and insight to provide necessary advice and proposals to ensure appropriateness and fairness from an objective standpoint independent of management, and fulfills the supervisory function of the Company's management.</p> <p>Attendance at:</p> <p>Board of Directors Meetings: 100% (23/23)</p> <p>Audit and Supervisory Committee Meetings 100% (17/17)</p>

(5) Compensation, etc. to Directors

(i) Policy on Determining Compensation to Directors

In determining the policy for decisions on compensation, etc., as well as in determining compensation, etc., of Directors not serving as Audit and Supervisory Committee Members, decisions are made by resolution of the Board of Directors, upon having received a report from the advisory body of the Board of Directors, the Remuneration Advisory Committee (comprises the Director, President & CEO, the Director in charge of human resources and three Outside Directors; and is chaired by an Outside Director).

The content of our decision making policy for the content of individual compensation, etc., for Directors is as shown below.

The Company not only deals with a variety of products but also promotes a global business operation. Accordingly, the duties of Directors are diverse and require expertise. Therefore, the standard for compensation to Directors should be set at a level appropriate to recruit qualified people capable of fulfilling these duties, and in specific, the compensation for Directors comprises the following three categories referring to surveys conducted by a number of research agencies that target mainly listed companies. This is the compensation policy that has been set to ensure a stronger link to performance based on objective benchmarks and evaluations.

(a) Basic compensation

The portion corresponding to the monitoring and supervision functions of each Director, which is a fixed amount according to his/her rank.

(b) Short-term performance-based compensation

A base amount by rank shall be established reflecting the corporate performance or the performance of the divisions under each Director's responsibility. The amount of compensation under this category shall vary within a range between 0% and 200% of the aforementioned base amount, depending on certain indicators (operating profit ratio, return on equity (ROE), and return on invested capital (ROIC)). These indicators are "indicators that easily reflect management measures" and "indicators that have a strong correlation with the level of return of profits to

shareholders,” and are used as they are indicators which have high affinity with the Company’s growth strategy.

(c) Stock-based compensation

Apart from the monetary compensation in (i) and (ii) above, a scheme that provides compensation for Directors (excluding nonresident Directors) in the form of common shares of the Company shall be established. This scheme is mainly intended to enhance the motivation of Directors towards contribution to an increase in corporate value of the Company, by placing Directors in a position to enjoy the merit of a rising share price as well as to bear the risk of a falling share price, whereby Directors and shareholders share the merit and demerit of such fluctuations.

The timing for receiving the distribution of the shares shall be upon the retirement of the Directors, in principle.

Roughly 40% or more of the entire compensation shall be represented by the portion subject to fluctuations at a maximum, depending on performance and share price (short-term performance-based compensation and stock compensation).

Compensation for non-executive Directors, in light of their duties, will be exclusively a fixed amount as basic compensation, not including short-term performance-based compensation and stock-based compensation.

(ii) Total Amount of Compensation, etc. to Directors

Category	Total amount of compensation (Millions of yen)	Total amount of compensation by type (Millions of yen)				Number of recipients
		Basic compensation	Performance-based compensation	Stock-based compensation	Other	
Directors not serving as Audit and Supervisory Committee Members	325	198	16	64	46	10
Directors, Members of the Audit and Supervisory Committee (Excluding Outside Directors)	23	23	—	—	—	1
Directors, Members of the Audit and Supervisory Committee (Outside directors)	67	67	—	—	—	5

Notes:

1. Of the Company’s Directors not serving as Audit and Supervisory Committee Members, there are no Outside Directors.
2. The targets and performances for indicators relating to “short-term performance-based compensation” in the fiscal year under review are as follows.

Type of indicator	Target Business plan for fiscal year ended March 2020	Performance Performance for fiscal year ended March 2020
Consolidated operating profit ratio	4.1%	0.5%
Consolidated rate of return on equity (ROE)	5.4%	-20.9%

3. The Company, as a part of its business recovery plan, has updated its management structure, and on March 31, 2021, reduced the number of Directors not serving as Audit and Supervisory Committee Members by half. At that time, in regard to the one Director who resigned, in order to eliminate the relationship with the Group in the future, we decided to pay a special premium for Director compensation within the framework of compensation for Directors not serving as Audit and Supervisory Committee Members, as shown in “Other” in the table above.
It should be noted that the special premium is an exceptional measure performed in conjunction with the aforementioned operational turnaround plan, and in making the decision, the Board of Directors has received a report from the Remuneration Advisory Committee that the specific content and decision making process are fair and reasonable.
4. The Board of Directors, in regard to the individual compensation for Directors not serving as Audit and Supervisory Committee Members in the fiscal year under review, has determined that the content of this conforms with the decision making policy as individual compensation amounts for Directors are determined through the procedures described in “(i) Policy on Determining Compensation to Directors” above. In determining the compensation, etc. of Directors not serving

- as Audit and Supervisory Committee Members, the Remuneration Advisory Committee verifies the fairness and appropriateness of the decision process regarding the performance evaluation of each Director, the compensation standards in line with the market, the compensation system, and the specific amount of compensation. The Board of Directors has received a report from the Remuneration Advisory Committee that the process is fair and reasonable.
5. The Audit and Supervisory Committee received a report regarding the individual compensation of Directors not serving as Audit and Supervisory Committee Members in the fiscal year under review from the Audit and Supervisory Committee Members who attended a meeting of the Remuneration Advisory Committee. As a result of consultations, the Audit and Supervisory Committee reached the conclusion that the Remuneration Advisory Committee's decision making process for the compensation, etc., of Directors not serving as Audit and Supervisory Committee Members is appropriate, and that there are no special matters that should be stated at a General Meeting of Shareholders under the provisions of the Companies Act.
 6. Matters concerning the resolution at the General Meeting of Shareholders on compensation, etc. of Directors
 - (1) It was resolved that the amount of compensation of Directors not serving as Audit and Supervisory Committee Members should not exceed ¥600 million per year at the 169th Annual General Meeting of Shareholders held on June 29, 2017. In addition, separate from such monetary compensation, a resolution was passed at said Annual General Meeting of Shareholders to restrict the amount of stock-based compensation to up to ¥120 million per year and the maximum number of shares to 285,000 shares per year (Outside Directors are not eligible). The number of Directors not serving as Audit and Supervisory Committee Members as of the conclusion of the Annual General Meeting of Shareholders was nine, and none of them were Outside Directors.
 - (2) It was resolved that the amount of compensation to Directors, Members of the Audit and Supervisory Committee should not exceed ¥100 million per year (of which not exceeding ¥70 million for Outside Director) at the 169th Annual General Meeting of Shareholders held on June 29, 2017. The number of Directors, Members of the Audit and Supervisory Committee as of the conclusion of said Annual General Meeting of Shareholders (of which four were Outside Directors) was five.

4. Accounting Auditor

(1) Name of Accounting Auditor

PricewaterhouseCoopers Aarata LLC

(2) Content of Non-Audit Services

Not applicable.

(3) Compensation Paid by the Total Fujikura Group

(Millions of yen)	
	Amount
(i) Compensation as Accounting Auditor of the Company for the 173rd period	113
(ii) Sum of amount the Company and its subsidiaries owe to Accounting Auditor (including the amount set forth in (i))	176

Notes:

1. In the audit contract between the Company and Accounting Auditor, it is not practically possible to distinguish between the compensation for the audit based on the Companies Act and that based on the Financial Instruments and Exchange Act. Therefore, the amount set forth in (i) above is the sum of them.
2. The Company's principal subsidiary companies, America Fujikura Ltd., Fujikura Electronics (Thailand) Ltd., Fujikura Electronics Shanghai Ltd., DDK (Thailand) Ltd., Fujikura Automotive Europe S.A.U. and Fujikura Automotive America LLC are subject to audits by audit corporations other than the Company's accounting auditor.
3. Taking into account the "Practical Guidelines for Cooperation with Accounting Auditors" released by the Japan Audit & Supervisory Board Members Association, the Audit and Supervisory Committee, by acquiring necessary documents and hearing reports from the Accounting Auditor and relevant sections within the Company, compares the audit plan with the actual results of the previous fiscal year; confirms the time and contents of audits by auditing item for the fiscal year under review; and examines the appropriateness of the amount of compensation. After these discussions, the Audit and Supervisory Committee gives its consent regarding the compensation, etc. of the Accounting Auditor in accordance with Article 399, paragraphs (1) and (3) of the Companies Act.

(4) Policy on Decision Concerning Dismissal or Non-Reappointment of Accounting Auditor

It is the policy of the Company that the Accounting Auditor shall be dismissed with the consent of all Audit and Supervisory Committee Members in the case that the Accounting Auditor infringes on or violates laws and regulations such as the Companies Act and the Certified Public Accountant Law. Moreover, in the case that it determines that a serious impediment or possibility of a serious impediment arises in the Company's auditing in light of changes in the nature of the Company's business or the corporate scale including the consolidated group, or smoothness of partnership with other audit organizations, the Audit and Supervisory Committee shall propose to a General Meeting of Shareholders "Dismissal or Non-reappointment of Accounting Auditor."

5. System to Secure Appropriate Operation and Operational Status of the System

(1) The Contents of Decision for System to Secure Appropriate Operation

(i) Body Responsible for the Management System and Internal Control System

[Management System]

The Company is a company with an Audit and Supervisory Committee. There are a total of fifteen (15) Directors, consisting of nine (9) Directors not serving as Audit and Supervisory Committee Members (hereinafter “executive directors”) and six (6) Directors, Members of the Audit and Supervisory Committee (hereinafter “Audit and Supervisory Committee Members”). All five (5) Outside Directors are Audit and Supervisory Committee Members. The Board of Directors of the Company may elect one (1) Chairman of the Board of Director, one (1) Director, President & CEO, several Senior Executive Vice Presidents & Directors, several Executive Vice Presidents & Directors and several Senior Vice Presidents & Directors as executive directors through its resolution. The Director, President & CEO is Chair of the Board of Directors as well as CEO for an overall corporate group comprising the Company and its subsidiaries (hereinafter collectively “the Group,” and respective subsidiary as “Group company”). Executive directors other than the Director, President & CEO are in charge of main business fields organized as an in-house company, or organizational management of cross-company indirect departments including the corporate unit and R&D unit other than the in-house company (hereinafter “corporate unit, etc.”) or organizations which belong to corporate unit, etc. Furthermore, an executive director from the Company is appointed to be in charge of significant Group companies with the business scale equivalent to that of an in-house company.

The Company’s management is executed under a system where the Director, President & CEO controls the individual executive directors accountable for the above responsibilities.

The Audit and Supervisory Committee consists of six (6) members, of which one (1) is a full-time Internal Director and five (5) are Outside Directors. The Audit and Supervisory Committee Office was established as an organization to support the activity of the Audit and Supervisory Committee under its supervision.

[Establishment of Internal Control System by Executive Directors and Audit by the Audit and Supervisory Committee]

With respect to in-house companies and corporate unit, etc. and Group companies of which executive directors are in charge, executive directors are responsible for ensuring the compliance and execution of the internal control system determined in the following (2) and (3). Given their position as a member of the Board of Directors which decides on the internal control system, they are responsible for the adequacy of the internal control system.

The Audit and Supervisory Committee’s audit is conducted by confirming and verifying the conditions of compliance and execution of the internal control system (refer to (2)) below) related to the execution of duties by executive directors. Therefore, the Audit and Supervisory Committee conducts investigations on conditions of the Company and Group companies and confirms and verifies the details of information provided by parties in charge of business execution. Furthermore, the Committee may call for explanations from executive directors and other parties in charge of business execution when deemed necessary. Along with this, given their position as a member of the Board of Directors which decides the internal control system, they are also responsible for the adequacy of the internal control system.

(ii) Matters in Article 399-13, paragraph (1), item 1-c of the Companies Act

[The development of systems necessary to ensure that the execution of the duties by the directors complies with the laws and regulations and the articles of incorporation, and other systems prescribed by Ministry of Justice Order as systems necessary to ensure the properness

of operations of a Stock Company and of operations of a group of enterprises consisting of the stock company and its subsidiary companies]

(1) Matters in Article 399-13, paragraph (1), item 1-c of the Companies Act

[The development of systems necessary to ensure that the execution of the duties by the directors complies with the laws and regulations]

The main decision-making of the Company is conducted by the Board of Directors and executive directors whom the Board of Directors delegate authority to. With respect to the Board of Directors, the Corporate Strategy Planning Division or the Legal Department verifies if deliberations comply with laws, regulations and the Articles of Incorporation in advance, and Outside Directors with specialized expertise (attorneys at law and certified public accountants) are included in further deliberations at the meetings of the Board of Directors to thoroughly confirm their compliance.

Decisions for which authority is delegated to executive directors in accordance with the “Rules on Responsibilities and Authorities of Executive Directors” are recorded in a dedicated database and related corporate units and the Audit and Supervisory Committee Office confirm the content or confirm if they comply with laws, regulations and the Articles of Incorporation by confirming the details with executive directors, etc. Furthermore, Audit and Supervisory Committee Members may peruse information recorded in the database at any time and confirm the content and details directly or via the Audit and Supervisory Committee Office when needed.

With respect to daily operations executed under the control of executive directors, while the compliance is ensured by internal rules specified by each corporate unit, education and individual instruction, etc., issues are detected, measures are formulated and their implementation is confirmed by conducting an operational audit by the Internal Audit Office.

Matters to note particularly with respect to compliance are shared in meetings of the Risk Management Committee held regularly, and top management instructs to improve management accuracy, etc. In addition, the Company has established the “Rules on Internal Reporting System” and introduced a whistleblowing system. It establishes the reporting contact point by General Affairs Division and outside attorney at law, and ensures anonymity of and prohibits unfair treatment of whistleblowers.

The Company shall comply with Article 110-4, paragraph (2), item (i) to item (v) of Companies Act Enforcement Regulations as follows.

(2) Matters in Article 110-4, paragraph (2), item (i) of Companies Act Enforcement Regulations

[Systems for the retention and management of information in relation to the execution of the duties of a Director]

With respect to reports and decisions by the Board of Directors as well as decisions by executive directors, the Corporate Strategy Planning Division and the Legal Department shall control and store documents prepared for reports and decisions shared at meetings, etc. as well as documents such as minutes recording content of reports and decisions, and respond to inquiries from related parties.

The documents such as the discussion material distributed and minutes for the Executive Officers Meeting, the Capital Expenses Committee, the Risk Management Committee, the in-house company executive committees and other meetings for important decision-making and information transmission shall be collectively stored and managed by the principal unit for each meeting in accordance with its stipulated rules, and they respond to inquiries from internal related parties when deemed necessary.

With respect to decision-making in writing not by a meeting body, units in charge of such decisions shall store and manage documents stating decisions in an appropriate manner and respond to inquiries from internal related parties.

(3) Matters in Article 110-4, paragraph (2), item (ii) of Companies Act Enforcement Regulations

[Rules and other systems related to management of the risk of loss]

The Company classifies risks to be managed (including risks which occur in the Group companies) into risks related to business opportunities (“strategy risks”) and risks related to the performance of its

business activities (“operational risks”). Strategy risks are managed by the Board of Directors, which is responsible for decision-making, and executive directors in the respective review process of decisions. Operational risks are managed by the Risk Management Committee chaired by the Director, President & CEO based on the “Fujikura Risk Management Rules.”

With regard to crisis management in case that material loss has occurred or its occurrence is imminent, we promptly gather and report the information to top management, and establish a response organization and a responsibility system, etc. as stated in the Risk Management Rules above.

(4) Matters in Article 110-4, paragraph (2), item (iii) of Companies Act Enforcement Regulations

[Systems to ensure that the execution of the duties of a Director is performed efficiently]

The execution system where the Director, President & CEO is CEO (refer to the above (i) [Management System]) allocates decision-making to the Board of Directors and executive directors for its efficient operation.

The Board of Directors shall make decisions based on thorough and extensive deliberation of major items that form the core of the Company’s growth strategy, such as annual and mid-term business plans and large-scale M&As. Therefore, the makeup of the Board of Directors consists not only of executive directors who manage each in-house company, but also includes Outside Directors with diverse knowledge and excellent objectivity.

Executive directors who manage each in-house company and the corporate unit, etc. have authority to decide on matters exclusive to those organizations and matters with a relatively minimal degree of risk, and flexibly and efficiently execute by quick and decisive decision-making.

(5) Matters in Article 110-4, paragraph (2), item (iv) of Companies Act Enforcement Regulations

[Systems to ensure that the execution of the duties of an employee of the stock company complies with laws and regulations and the articles of incorporation]

The Risk Management Committee chaired by the Director, President & CEO is responsible for ensuring the Company’s employees and other persons engaged in the Company’s operations comply with laws and regulations, and directs as top management regarding identifying issues, sharing information, the training and other measures for legal compliance planned by the corporate unit.

As the whistleblowing system, the Company’s employees and other persons engaged in the Company’s operations may report to the General Affairs Division and outside attorney at law in accordance with the “Rules on Use of Internal Reporting System” specifying assurance of anonymity and prohibiting unfair treatment of whistleblowers.

(6) Matters in Article 110-4, paragraph (2), items (v)-a, b, c and d of Companies Act Enforcement Regulations

[Systems to ensure the properness of business activities in a business group]

With respect to each Group company, the Company specifies either an in-house company or a corporate unit, etc. of the Company as the division in charge of the Group company. Executive directors in charge of the applicable divisions are responsible for overall management of Group companies in charge.

Significant Group companies with a business scale equivalent to that of an in-house company may be controlled directly by executive directors without belonging to in-house companies or a corporate unit, etc.

(a) System Related to Reports to the Company for Matters concerning the Execution of Duties of Directors and Executing Employees (Hereinafter “Directors, etc.”) of Subsidiaries

The division in charge establishes rules on in-house company executive committees, etc. to control reports from Group companies, and receives monthly reports for operating results for Group companies, and reports for important matters such as human resources, the organization, capital expenses and product quality in a timely manner.

(b) Rules on Management of Risk of Loss for Subsidiaries and Other Systems

Each Group company sets rules on risk management with a basic principle to manage its own risk. The division in charge receives the timely and appropriate reports for risks which occurred at a Group company in charge, and establishes a system to support and guide the Group company for responses to the risk occurred.

(c) System to Ensure That the Duties of Directors, etc. of Subsidiaries Are Executed Efficiently

We will clearly specify each role and function for respective Group companies and formulate a business plan as a corporate group including these Group companies. The system will be arranged in a way that enables budget monitoring through periodic performance reporting and close collaboration as well as smooth and detailed communication through personnel exchanges, etc.

(d) System to Ensure the Compliance with Laws, Regulations and the Articles of Incorporation in the Execution of Duties by Directors and Employees of Subsidiaries

Each Group company will appoint a person responsible for compliance with laws and regulations. Such responsible person will report the status of compliance with laws and regulations to the Company and implement individual measures, which are specified by the Company for compliance with laws and regulations, at Group companies.

Each Group company will establish a whistleblowing system through which employees, etc. may either use the Company's internal reporting system or directly report to an outside attorney at law.

(iii) Matters in Article 399-13, paragraph (1), item (i) b of the Companies Act

[The matters prescribed by Ministry of Justice Order as those necessary for the execution of the duties of the Audit and Supervisory Committee]

The Company shall comply with Article 110-4, paragraph (1), item (i) to item (vii) of Companies Act Enforcement Regulations as follows.

(1) Matters in Article 110-4, paragraph (1), items (i), (ii) and (iii) of Companies Act Enforcement Regulations

[Particulars related to Directors and employees to assist with the duties of the Audit and Supervisory Committee]

[Particulars regarding independence of the Directors and employees of the preceding item from other Directors of the stock company (excluding Directors, Members of the Audit and Supervisory Committee)]

[Particulars related to ensuring the effectiveness of instructions given by the Audit and Supervisory Committee of the stock company to the Directors and employees set forth in item (i)]

Executive Directors in charge of the Corporate Strategy Planning Division and the Legal Department (hereinafter "Directors in charge of Corporate") shall be responsible for establishing a system required by the Audit and Supervisory Committee for executing its duties as necessary and may not decline the request without reasonable cause.

In addition, Directors in charge of Corporate shall establish the Audit and Supervisory Committee Office as the organization to support the execution of duties of the Audit and Supervisory Committee (one dedicated staff shall be placed), place the Committee Office under the direction of the Audit and Supervisory Committee, and when the Audit and Supervisory Committee requires authority, budget and staff, etc. of the Committee Office, they may not decline the request without reasonable cause.

(2) Matters in Article 110-4, paragraph (1), Item (iv)-a of Companies Act Enforcement Regulations

[Systems for the Directors (excluding Directors, Members of the Audit and Supervisory Committee), Accounting Advisor(s), and employees of the stock company to report to the Audit and Supervisory Committee of the stock company]

If executive directors and employees find acts by the Company which violate laws, regulations or the Articles of Incorporation, or facts which may cause serious damage to the Company, they shall immediately report to the Audit and Supervisory Committee. In addition, if the General Affairs Division receives information related to material risks set forth in the “Risk Management Rules,” it shall promptly report to the Audit and Supervisory Committee.

Matters which executive directors would decide and matters to be reported at in-house company executive committees shall be always available for inspection by the Audit and Supervisory Committee; therefore, executive directors shall record such matters in a specified database. The Corporate Strategy Planning Division, the Legal Department and the Audit and Supervisory Committee Office collaborate to confirm information recorded in such database and collect additional information, etc., and report to the Audit and Supervisory Committee when needed (in addition, they shall share information with other corporate units) or take actions such as submitting a proposition at the Board of Directors.

Audit and Supervisory Committee Members may attend internal meetings at any time as the execution of duties of the Audit and Supervisory Committee and view related documents and records, etc. In addition, whenever the Audit and Supervisory Committee deems necessary, it may submit a request for details or an investigation to related executive directors and employees, and executive directors and employees shall respond to such request.

(3) Matters in Article 110-4, paragraph (1), item (iv)-b of Companies Act Enforcement Regulations

[Systems for the Directors, accounting advisor(s), company auditors, corporate officers, members who execute the business, those who are to perform the duties of Article 598, paragraph (1) of the Act, and other corporations equivalent thereto, and employees of a subsidiary company of the stock company or persons who receive reports from them to report to the Audit and Supervisory Committee of the stock company]

If executive directors, auditors and employees of Group companies find acts by the Company or such Group company which violate laws and regulations or the Articles of Incorporation, or facts which may cause serious damage to the Company, they shall immediately report to the Audit and Supervisory Committee. In addition, if the General Affairs Division receives information related to material risks set forth in the “Risk Management Rules,” it shall promptly report to the Audit and Supervisory Committee.

With respect to Group companies, executive directors in charge of these shall make such Group company perform the above reporting duties thoroughly.

If the Internal Audit Office, Internal Control Division, other corporate units and administrative units in in-house companies find fraud or improper facts for a Group company, they shall immediately report to the Audit and Supervisory Committee.

(4) Matters in Article 110-4, paragraph (1), item (v) of Companies Act Enforcement Regulations

[Systems for ensuring that persons who make a report under the preceding item are not treated disadvantageously due to making the report]

The Company and Group companies shall not treat those who report to the Audit and Supervisory Committee in the preceding item a or b unfairly because of making the report.

(5) Matters in Article 110-4, paragraph (1), item (vi) of Companies Act Enforcement Regulations

[Particulars related to policies concerning the procedure for advance payment or reimbursement of expenses that arise with regard to execution of the duties of the Audit and Supervisory Committee Members of the stock company (limited to those related to execution of the duties of

the Audit and Supervisory Committee) or any other processing of expenses or obligations that arise with regard to execution of those duties]

The Company shall take budgetary measures with respect to required expenses based on the annual audit plan by the Audit and Supervisory Committee. Expenses required for activities as needed other than the audit plan, including those required for utilizing outside experts, etc., shall be paid as long as they are reasonable for the execution of duties by the Audit and Supervisory Committee, or the Company shall bear the expenses when the Committee requests the Company for payment.

(6) Matters in Article 110-4, paragraph (1), item (vii) of Companies Act Enforcement Regulations

[Other systems to ensure that audits by the Audit and Supervisory Committee of the stock company are performed effectively]

The Audit and Supervisory Committee may request opportunities including but not limited to meetings of the Board of Directors for opinion exchanges and questions, etc. for Directors, including the Director, President & CEO or corporate officers and other employees who are responsible for the execution of business, and the Director in charge of Corporate who is to act as the contact point shall conduct necessary arrangements to respond to the request based on the gist of the request by the Audit and Supervisory Committee.

(2) Outline of Operational Status of System to Ensure the Appropriate Operations

(i) Compliance and Risk Management System

The Risk Management Committee convened meetings on 23 occasions during fiscal year 2020. The Committee appropriately follows up the results with respect to risks that need to be dealt with by the Group as a whole, including matters related to compliance, as well as specific risks by each in-house company, based on the risk control plan created each year. In addition, the Committee makes such reports for individual cases, confirms measures to prevent recurrence, shares information with Group companies and hold discussions on new risk recognition and prevention.

With respect to matters for which decision-making authority is delegated to executive directors, the corporate unit related to such matters and the Audit and Supervisory Committee Office, which is an organization to support activity of the Audit and Supervisory Committee, have confirmed that they comply with laws, regulations and the Articles of Incorporation. In addition, with respect to daily operations executed under the control of executive directors, the Internal Audit Division, each corporate unit and the in-house company control organization, etc. have controlled and managed legality and validity.

On the other hand, as an organization independent from the execution division, the Audit and Supervisory Committee audits risk management conditions for the entire Group as appropriate, separately from the Risk Management Committee. In addition, the Committee audits the validity and effectiveness of the internal control system of the Company.

The Company and Group companies run internal reporting systems respectively as whistleblowing systems. In the whistleblowing system, internal and outside reception contact points are established, in which anonymity is ensured and unfair treatment of whistleblowers is prohibited. In addition, the operation status of the whistleblowing system is being reported to the Risk Management Committee and the Audit and Supervisory Committee.

Furthermore, the “Corporate Governance Promotion Division” was established on April 1, 2020, which launched a plurality of projects relating to risk management and compliance, and has promoted the identification of issues and the verification of improvement measures, etc., in order to strengthen the internal audit function and to improve the effectiveness of the internal reporting system.

(ii) Business Management System of Group Companies

Each in-house company or corporate unit, etc. has requested their Group companies in charge for “establishment of the Risk Management Rules,” “placement of responsible persons for compliance” and “establishment of the whistleblowing system,” and appropriate efforts are underway at all Group companies. In addition, each in-house company, etc. continues to ensure a timely and appropriate

reporting system from their Group companies in charge by holding periodic in-house company executive committee meetings, etc. including Group companies, and performs the business operation efficiently.

The Group is engaging in deliberations aimed at strengthening the Group governance, in light of the Group's current situation.

(iii) System to Ensure the Effectiveness of the Audit and Supervisory Committee

The Company has established the Audit and Supervisory Committee Office as an organization to support the duties of the Audit and Supervisory Committee, and has positioned dedicated staff to the said office. The Audit and Supervisory Committee Office ensures its independence from business execution and provides the Audit and Supervisory Committee with support in line with direct instructions from the Audit and Supervisory Committee.

Audit and Supervisory Committee Members have authority to attend internal meetings and to access the database recording decision-making matters by executive directors, and conduct investigations, etc. when needed.

In addition, in order to improve the effectiveness of the audit and supervisory function, separate to the Board of Directors, the Company has established a place for regular meetings between Audit and Supervisory Committee Members and executive directors, as well as with corporate officers in charge of individual business, at which opinions, etc., have been exchanged.

In addition, the Accounting Auditor and the Internal Audit Department hold a Tripartite Audit Council on a quarterly basis. At the Council, they share information related to the operational status of the internal control system and audit condition, and exchange opinions on mitigating the fraud risks to ensure the effectiveness of the audit.

*The Company has traditionally rounded down numbers constituting less than one full unit, however, from the business report for the 173rd period onward, numbers constituting less than one full unit are rounded off. Furthermore, for ease of comparison, the numbers constituting less than one full unit that are presented for prior fiscal years are also rounded off.

Consolidated Balance Sheet
(As of March 31, 2021)

(Millions of yen)

Item	Amount	Item	Amount
ASSETS		LIABILITIES	
Current assets	317,374	Current liabilities	216,316
Cash and deposits	74,740	Notes and accounts payable - trade	68,512
Notes and accounts payable - trade	123,347	Short-term borrowings	77,801
Merchandise and finished goods	36,788	Commercial papers	15,000
Work in process	27,789	Current portion of bonds payable	10,000
Raw materials and supplies	35,889	Income taxes payable	2,474
Other	19,706	Provision for loss on business of subsidiaries and associates	1,264
Allowance for doubtful accounts	(885)	Other provisions	2,123
Non-current assets	251,750	Other	39,142
Property, plant and equipment	183,994	Non-current liabilities	168,324
Buildings and structures	85,193	Bonds payable	30,000
Machinery, equipment and vehicles	61,342	Long-term borrowings	109,128
Land	15,125	Other provisions	469
Leased assets	5,368	Retirement benefit liability	10,992
Construction in progress	7,678	Other	17,735
Other, net	9,287	Total liabilities	384,640
Intangible fixed assets	14,331	NET ASSETS	
Goodwill	6,257	Shareholders' equity	157,466
Other	8,074	Share capital	53,076
Investments and other assets	53,425	Capital surplus	27,740
Investment securities	27,676	Retained earnings	87,514
Retirement benefit asset	2,635	Treasury shares	(10,864)
Deferred tax assets	7,253	Accumulated other comprehensive income	5,363
Other	16,084	Valuation difference on available-for-sale securities	1,185
Allowance for doubtful accounts	(203)	Deferred gains or losses on hedges	(917)
Allowance for investment loss	(20)	Foreign currency translation adjustment	8,347
		Remeasurements of defined benefit plans	(3,253)
		Non-controlling interests	21,654
		Total net assets	184,483
Total assets	569,124	Total liabilities and net assets	569,124

Consolidated Statements of Income
(From April 1, 2020 through March 31, 2021)

(Millions of yen)

Item	Amount	
Net sales		643,736
Cost of sales		534,633
Gross profit		109,103
Selling, general and administrative expenses		84,681
Operating profit		24,422
Non-operating income		
Interest income	288	
Dividend income	765	
Foreign exchange gains	317	
Share of profit of entities accounted for using equity method	430	
Subsidies for employment adjustment	1,044	
Other	1,842	4,687
Non-operating expenses		
Interest expenses	2,558	
Loss on retirement of non-current assets	689	
Product repair costs due to customers' claims	1,950	
Financing expenses	2,713	
Other	2,818	10,729
Ordinary profit		18,380
Extraordinary income		
Gain on sale of non-current assets	4,294	
Gain on sale of investment securities	1,545	
Insurance claim income	773	
Reversal of provision for loss on guarantees	2	
Other	151	6,765
Extraordinary losses		
Impairment losses	16,831	
Business restructuring expenses	3,607	
Loss on COVID-19 impact	2,003	
Loss on fire	1,188	
Other	342	23,970
Profit before income taxes		1,174
Income taxes - current	6,184	
Income taxes - deferred	(876)	5,308
Loss		(4,134)
Profit attributable to non-controlling interests		1,236
Loss attributable to owners of parent		(5,369)

Consolidated Statement of Changes in Equity
(From April 1, 2020 through March 31, 2021)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	53,076	27,903	89,882	(10,915)	159,945
Changes during period					
Loss attributable to owners of parent			(5,369)		(5,369)
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares		(0)		52	52
Change in ownership interest of parent due to transactions with non-controlling interests		(163)			(163)
Change in scope of equity method			3,002		3,002
Net changes in items other than shareholders' equity					—
Total changes during period	—	(163)	(2,368)	51	(2,479)
Balance at end of period	53,076	27,740	87,514	(10,864)	157,466

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	989	(848)	(1,737)	(6,274)	(7,870)	20,040	172,115
Changes during period							
Loss attributable to owners of parent					—		(5,369)
Purchase of treasury shares					—		(1)
Disposal of treasury shares					—		52
Change in ownership interest of parent due to transactions with non-controlling interests					—		(163)
Change in scope of equity method					—		3,002
Net changes in items other than shareholders' equity	195	(69)	10,085	3,021	13,232	1,615	14,847
Total changes during period	195	(69)	10,085	3,021	13,232	1,615	12,368
Balance at end of period	1,185	(917)	8,347	(3,253)	5,363	21,654	184,483

Non-consolidated Balance Sheets
(As of March 31, 2021)

(Millions of yen)

Item	Amount	Item	Amount
ASSETS		LIABILITIES	
Current assets	146,685	Current liabilities	118,946
Cash and deposits	39,434	Notes payable - trade	101
Notes receivable	1,092	Accounts payable - trade	33,941
Accounts receivable	58,232	Short-term borrowings	27,300
Merchandise and finished goods	3,660	Commercial papers	15,000
Work in process	9,193	Current portion of bonds payable	10,000
Raw materials and supplies	2,566	Accrued expenses	7,165
Accounts receivable - other	11,792	Deposits received	17,658
Short-term loans receivable	18,157	Provision for loss on business of subsidiaries and associates	1,264
Other	2,750	Provision for loss due to inappropriate cases in quality control	112
Allowance for doubtful accounts	(190)	Provision for loss on guarantees	8
Non-current assets	175,353	Other	6,396
Property, plant and equipment	80,324	Non-current liabilities	142,591
Buildings	56,556	Bonds payable	30,000
Structures	2,710	Long-term borrowings	103,310
Machinery and equipment	7,523	Long-term leasehold and guarantee deposits received	7,769
Land	9,883	Other provisions	478
Construction in progress	1,694	Deferred tax liabilities	436
Other	1,959	Other	598
Intangible fixed assets	3,217	Total liabilities	261,536
Software	2,291	NET ASSETS	
Other	926	Shareholders' equity	60,327
Investments and other assets	91,811	Share capital	53,076
Investment securities	7,671	Capital surplus	28,302
Shares of subsidiaries and associates	63,165	Legal capital surplus	13,269
Investments in capital of subsidiaries and associates	15,727	Other capital surplus	15,034
Long-term loans receivable	8,384	Retained earnings	(10,237)
Prepaid pension costs	4,629	Other retained earnings	(10,237)
Other	779	Reserve for tax purpose reduction entry of non-current assets	954
Allowance for doubtful accounts	(8,486)	Retained earnings brought forward	(11,191)
Allowance for investment loss	(57)	Treasury shares	(10,815)
		Valuation and translation adjustments	174
		Valuation difference on available-for-sale securities	936
		Deferred gains or losses on hedges	(762)
		Total net assets	60,501
Total assets	322,037	Total liabilities and net assets	322,037

Non-consolidated Statements of Income
(From April 1, 2020 through March 31, 2021)

(Millions of yen)

Item	Amount	
Net sales		338,345
Cost of sales		306,480
Gross profit		31,865
Selling, general and administrative expenses		26,974
Operating profit		4,891
Non-operating income		
Interest and dividend income	9,440	
Foreign exchange gains	652	
Other	1,596	11,688
Non-operating expenses		
Interest expenses	1,319	
Interest on bonds	84	
Provision for loss on guarantees	4,356	
Financing expenses	2,713	
Loss on retirement of non-current assets	247	
Other	1,977	10,697
Ordinary profit		5,882
Extraordinary income		
Reversal of provision for loss on guarantees	8,220	
Gain on sale of non-current assets	3,597	
Gain on sale of investment securities	1,402	
Other	16	13,235
Extraordinary losses		
Loss on valuation of shares of subsidiaries and associates	25,596	
Business restructuring expenses	1,582	
Impairment losses	702	
Other	208	28,087
Loss before income taxes		(8,969)
Income taxes - current		713
Loss		(9,682)

Non-Consolidated Statement of Changes in Equity
(From April 1, 2020 through March 31, 2021)

(Millions of yen)

	Shareholders' equity						
	Share capital	Capital surplus			Retained earnings		Total retained earnings
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings Reserve for tax purpose reduction entry of non-current assets	Retained earnings brought forward	
Balance at beginning of period	53,076	13,269	15,034	28,302	955	(1,509)	(554)
Changes during period							
Reversal of reserve for tax purpose reduction entry of non-current assets				—	(0)	0	—
Loss				—		(9,682)	(9,682)
Purchase of treasury shares				—			—
Disposal of treasury shares			(0)	(0)			—
Net changes in items other than shareholders' equity during period				—			—
Total changes during period	—	—	(0)	(0)	(0)	(9,682)	(9,682)
Balance at end of period	53,076	13,269	15,034	28,302	954	(11,191)	(10,237)

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of period	(10,866)	69,958	879	18	897	70,855
Changes during period						
Reversal of reserve for tax purpose reduction entry of non-current assets		—			—	—
Loss		(9,682)			—	(9,682)
Purchase of treasury shares	(1)	(1)			—	(1)
Disposal of treasury shares	52	52			—	52
Net changes in items other than shareholders' equity during period		—	57	(780)	(723)	(723)
Total changes during period	51	(9,631)	57	(780)	(723)	(10,354)
Balance at end of period	(10,815)	60,327	936	(762)	174	60,501

The Audit and Supervisory Committee's Audit Report

The Audit and Supervisory Committee of Fujikura Ltd. (hereafter, "the Company") conducted an audit regarding the execution of the duties of the directors for the 173rd business year (April 1, 2020 to March 31, 2021). Methods and results of the audit are as follows.

1. 1. Method and Contents of the audit
With regard to the contents of the resolution of the Board of Directors regarding matters defined in Article 399-13, Paragraph 1, Items 1-b and c of the Companies Act and the structure established based on such resolution (internal control system), the Audit and Supervisory Committee received reports on the establishment and the status of the operation of the internal control system from the Directors, officers and employees on a regular basis, sought explanations as necessary, expressed their opinions and conducted an audit according to the methods described below.

Meanwhile, with regard to internal control over financial reporting as required by the Financial Instruments and Exchange Act, the Audit and Supervisory Committee received reports from the Directors and the Accounting Auditor, PricewaterhouseCoopers Aarata LLC, regarding their evaluation of internal control and the results of the audit, and sought explanations as necessary.
- (1) While utilizing techniques via telephone lines, the Internet, etc. in accordance with the audit policy, assignment of duties and other relevant matters specified by the Audit and Supervisory Committee, Audit and Supervisory Committee Members, in collaboration with the Internal Audit Division and others, attended important meetings, received reports from the Directors, officers and other employees on the execution of their duties, sought explanations as necessary, scrutinized important documents pertaining to decision-making, and examined the business and financial conditions at the head office. Regarding subsidiaries, we communicated and exchanged information with the Directors, the Corporate Auditors and other employees of subsidiaries, and received reports with respect to their business from subsidiaries as necessary.
- (2) We monitored and verified whether the Accounting Auditors maintained their independence and implemented appropriate audits, and we received reports from the Accounting Auditors regarding the performance of their duties and sought explanations as necessary. Also, we received notice from the Accounting Auditors that "the System for ensuring that duties are performed properly" (matters set forth in each item of Article 131 of the Corporate Accounting Regulations) is organized in accordance with the "Quality Management Standards Regarding Audits" (Business Accounting Council, October 28, 2005) and other relevant standards, and sought explanations as necessary.

Based on the above methods, we examined the Business Report and the annexed detailed statements, non-consolidated financial statements ("non-consolidated balance sheets," "non-consolidated statements of income," "non-consolidated statements of shareholders' equity," and "notes to the non-consolidated financial statements") and the annexed detailed statements, and consolidated financial statements ("consolidated balance sheets," "consolidated statements of income," "consolidated statements of shareholders' equity," and "notes to the consolidated financial statements") for this business year.

2. Results of the audit
 - (1) Results of audit of the Business Report
 - i) We confirm that the Business Report and the annexed detailed statements fairly represent the condition of the Company in accordance with the relevant laws and regulations and the Articles of Incorporation of the Company.
 - ii) We confirm that there were no improper acts or violations of any laws and regulations or the Articles of Incorporation of the Company committed by any of the Directors in connection with the execution of their duties
 - iii) We confirm that the details of the resolution made by the Board of Directors concerning the

internal control system is proper. Furthermore, we confirm that there are no matters on which to remark with regard to performance duties of the Directors and content of the Business Report concerning the aforementioned internal control system.

As stated in the Business Report, the Company has positioned quality management as an important issue, carried out various measures to strengthen quality management, and we verified the status of implementation of these measures. We confirm that there are no matters on which to remark with regard to these initiatives. Going forward, the Audit and Supervisory Committee will continue to verify the status of implementation of the various measures for the strengthening of quality management.

- (2) Results of audit of the non-consolidated financial statements and the annexed detailed statements
We found the method and the results of the audit by the Accounting Auditor, PricewaterhouseCoopers Aarata LLC, to be appropriate.
- (3) Results of audit of the consolidated financial statements
We found the method and the results of the audit by the Accounting Auditor, PricewaterhouseCoopers Aarata LLC, to be appropriate.

May 17, 2021

Audit and Supervisory Committee of Fujikura Ltd.

Full-time Audit and Supervisory Committee Member:	Yasuyuki Oda	[Seal]
Audit and Supervisory Committee Member:	Masaaki Shimojima	[Seal]
Audit and Supervisory Committee Member:	Kenichiro Abe	[Seal]
Audit and Supervisory Committee Member:	Yoshio Shirai	[Seal]
Audit and Supervisory Committee Member:	Tsuneko Murata	[Seal]
Audit and Supervisory Committee Member:	Hamako Hanazaki	[Seal]